NOTE

This Microfiche meets the quality requirements of the American National Standard for Microfiche of Documents. (ANSI PH5.9-1975). However, because of imperfections in the document from which it was made, it contains images that are illegible or difficult to read. The source document for this microfiche is the best copy that could be obtained prior to filming.

CIS

Calendar No. 242

101st Congress *1st Session*	SENATE	Report 101-132

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1990

September 14 (legislative day, September 6), 1989.—Ordered to be printed

Mr. Inouye, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 3072]

The Committee on Appropriations, to which was referred the bill (H.R. 3072) making appropriations for the Department of Defense for the fiscal year ending September 30, 1990, and for other purposes, reports the same to the Senate with various amendments. Information is herewith presented relative to changes made:

Total of bill as reported to Senate:	
New obligational authority	$279,629,416,000
Total of 1990 budget estimate	288,736,500,000
Amount of House allowance (net) (reported)	286,375,680,000
Amount of fiscal year 1989 enacted	282,411,392,000
The bill as reported to the Senate:	
Below fiscal year 1990 budget estimate	9,107,084,000
Below the House allowance	6,746,264,000
Under enacted appropriations for fiscal year 1989	2,781,976,000

S183-13

CONTENTS

Background:

Page
- Purpose of the bill 4
- Hearings 4
- Summary of bill 5

Budget impact of the bill 6

TITLE I—MILITARY PERSONNEL

Summary of Committee action 7
Military personnel, Army 12
Military personnel, Navy 13
Military personnel, Marine Corps 14
Military personnel, Air Force 14
Guard and Reserve personnel 15
Reserve personnel, Army 16
Reserve personnel, Navy 17
Reserve personnel, Marine Corps 17
Reserve personnel, Air Force 17
National Guard personnel, Army 18
National Guard personnel, Air Force 18

TITLE II—OPERATION AND MAINTENANCE

Operation and maintenance overview 22
Operating tempos 24
Force structure and support 25
Reprogramming thresholds 27
Health and medical issues 41
Operation and maintenance, Army 50
Operation and maintenance, Navy 56
Operation and maintenance, Marine Corps 60
Operation and maintenance, Air Force 61
Operation and maintenance, Defense Agencies 67
Inspector general 71
Operation and maintenance, Army Reserve 71
Operation and maintenance, Navy Reserve 71
Operation and maintenance, Marine Corps Reserve 72
Operation and maintenance, Air Force Reserve 72
Operation and maintenance, Army National Guard 73
Operation and maintenance, Air National Guard 73
National Board for the Promotion of Rifle Practice, Army 74
Court of Military Appeals 74
Environmental restoration, Defense 75
Goodwill Games 75
Humanitarian assistance 75
Base closure account 75

TITLE III—PROCUREMENT

Estimates and appropriation summary 78
Aircraft procurement, Army 83
Missile procurement, Army 89
Procurement of weapons and tracked combat vehicles, Army 95

Page
Procurement of ammunition, Army 104
Other procurement, Army 114
Aircraft procurement, Navy 132
Weapons procurement, Navy 141
Shipbuilding and conversion, Navy 150
Other procurement, Navy 157
Procurement, Marine Corps 179
Aircraft procurement, Air Force 188
Missile procurement, Air Force 200
Other procurement, Air Force 207
Procurement, Defense Agencies 225
National Guard and Reserve equipment 229
Defense Production Act purchases 236

TITLE IV—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

Summary of Committee action 237
Research, development, test and evaluation, Army 246
Research, development, test and evaluation, Navy 259
Research, development, test and evaluation, Air Force 275
Research, development, test and evaluation, Defense Agencies 292
Developmental test and evaluation, Defense 308
Operational test and evaluation, Defense 309

TITLE V—REVOLVING AND MANAGEMENT FUNDS

Revolving and management funds 311

TITLE VI—CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

Chemical agents and munitions destruction, defense 314

TITLE VII—DRUG INTERDICTION, DEFENSE

Drug interdiction, Defense 316

TITLE VIII—RELATED AGENCIES

Payment to the CIA retirement and disability system fund 321
Intelligence Community Staff 321
Mildred and Claude Pepper Foundation 322
Compliance with paragraph 7, rule 16 323
Compliance with paragraph 12, rule 26 323

TITLE IX—GENERAL PROVISIONS

General provisions 324

BACKGROUND

PURPOSE OF THE BILL

The purpose of this bill is to make appropriations for the military functions of the Department of Defense for the period October 1, 1989, through September 30, 1990. Functional areas include the pay, allowances and support of military personnel, operation and maintenance of the forces, procurement of equipment and systems, and research, development, test and evaluation. Appropriations for military assistance, military construction, family housing, nuclear warheads, and civil defense are provided in other bills.

In its examination of the President's budget for defense appropriations the Committee has made a deliberate effort to review funding requests within the context of the national security objectives they are intended to serve. The Committee believes that presenting requests for defense appropriations or considering individual weapons systems or force structures without reference to the ends they are intended to serve is to rob them of any intelligible meaning. We have, therefore, sought the views of policymakers in the Department of State, as well as the Department of Defense. That defense policy should be considered in such a way was the intent of the National Security Act of 1947, which created what was then known as the National Military Establishment and what came to be known as the Department of Defense.

In addition, the Committee has sought the views of the United States' principal field commanders, the Commanders in Chief, or CINC's, as they are more popularly known. We have listened carefully to the views of the CINC's in order to be assured that our recommendations are responsive to the requirements of those who command forces on the front lines of freedom.

NATIONAL FOREIGN INTELLIGENCE BUDGET AND RELATED BUDGETS

The Committee has reviewed the National Foreign Intelligence Program budget and intelligence related activities budgets which are funded in this bill. The results of the Committee's review are made available in a separate classified annex to this report. The intelligence community and the Department of Defense are expected to comply fully with the recommendations and directives in the classified annex.

HEARINGS

The Subcommittee on Department of Defense Appropriations began hearings on the fiscal year 1990 budget request on February 9, 1989, and concluded them on June 22, 1989, after 31 separate sessions. The subcommittee heard testimony from representatives of the Department of Defense, other Federal agencies, and from the general public. Approximately 2,526 pages of transcript were taken, the unclassified portions of which constitute the six-volume public record of testimony on this budget request.

SUMMARY OF THE BILL

The Committee considered a total fiscal year 1990 budget request of $288,736,500,000 in new obligational authority for the military functions of the Department of Defense, excluding military assistance, military construction, family housing and civil defense. The following table displays the major recommendations:

[In thousands of dollars]

	Fiscal year 1989 enacted	Fiscal year 1990 request	House allowance	Committee recommendation
Title I—Military personnel	78,489,954	79,185,300	79,091,000	78,780,742
Title II—Operation and maintenance	85,293,742	90,198,500	89,557,104	86,094,619
Title III—Procurement	79,322,884	78,310,600	80,525,999	75,656,904
Title IV—Research, development, test, and evaluation	37,663,867	39,645,300	35,540,277	37,664,528
Title V—Revolving funds	688,500	774,400	801,400	244,700
Title VI—Chemical agents and munions destruction, defense	179,500	311,400	269,800	259,355
Title VII—Drug interdiction [1]		132,000	96,800	575,000
Title VIII—Related agencies [2]	664,145	179,000	643,300	189,968
(By transfer)	(90,000)			
Title IX—General provisions	108,800		(150,000)	163,600
(By transfer)	(1,420,800)			
(Additional transfer authority, section 9011)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
Total, Department of Defense (new obligational authority)	282,411,392	288,736,500	286,375,680	279,629,416
(Transfer authority)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)

[1] The House allowance provides $96,800,000 in title VII for the inspector general.

[2] The House allowance provides $450,000,000 in title VIII for drug interdiction.

BUDGET SUMMIT AGREEMENT AND 302(b) ALLOCATION

The Appropriations Committee conformed fully to the Budget Summit Agreement for defense spending in its 302b allocation. This allocation divided the budget authority and outlays among the subcommittees with jurisdiction over defense spending. The Defense Subcommittee has the far greatest share of defense spending. In this recommended bill, the Appropriations Committee has remained within the tight constraints of its 302(b) allocation for defense. However, because the Committee was constrained by the fact that it both desired to abide by authorization account ceilings and was required to adjust to a mis-match in the budget authority and outlays provided for defense spending under the Budget Summit Agreement for defense spending, the Committee has not reached the budget authority target in that agreement. To comply with these divergent objectives, the Committee reported bill, while nearly exhausting available outlays, has a shortfall of almost $9,000,000,000 in budget authority. The Committee intends to propose an amendment which, if approved by the Senate will provide sufficient budget authority to reach the Summit Agreement target levels.

BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1990: Subcommittee on Defense	288,218	279,725	282184	[1] 281,469
Senate bill plus Committee authorized amendment		288,217		282,182
Projections of outlays associated with budget authority recommended in the bill:				
1990				[2] 175,435
1991				61,576
1992				26,432
1993				8,389
1994 and future year				7,894
Financial assistance to State and local governments for 1990 in the bill				

	Direct loans		Loan guarantees	
Credit authority estimates, fiscal year 1990				

---

[1] Includes outlays from prior-year budget authority.

[2] Excludes outlays from prior-year budget authority.

TITLE I

MILITARY PERSONNEL

Appropriations, 1989	$78,489,954,000
Budget estimate, 1990	79,185,300,000
House allowance	79,091,000,000
Committee recommendation	78,780,742,000

Funds appropriated under this title provide for pay, allowances, subsistence, permanent change of station travel, and various other personnel costs for the uniformed members of the Armed Forces. The level of active duty military personnel requested in the President's fiscal year 1990 budget is 2,121,500, which is 11,700 below the authorized end strength for fiscal year 1989. The level of Reserve and National Guard personnel requested in the fiscal year 1990 budget is 1,178,200, or 8,647 above the end strength for fiscal year 1989.

A total of $79,185,300,000 is requested in the President's fiscal year 1990 budget for military personnel appropriations, an increase of $695,346,000 over fiscal year 1989. This request includes $70,071,900,000 for active duty forces and $9,113,400,000 for Reserves and Guard.

SUMMARY OF COMMITTEE ACTION

The Committee recommends appropriations totaling $78,780,742,000 in title I, military personnel, for fiscal year 1990. This amount is $404,558,000 below the budget request and $310,258,000 below the House allowance.

The Committee fully funds authorized end strength.

Committee appropriation recommendations are displayed in the following table:

MILITARY MANPOWER END STRENGTH

The following tables summarize adjustments to the 1990 manpower request for Active, Guard, and Reserve forces.

RECOMMENDED END STRENGTH

	1989 estimate	Budget request	House allowance	Committee recommendation	Committee compared with—		
					1989	Budget	House
Active force:							
Army	771,800	764,400	757,047	764,021	−7,779	−379	6,974
Navy	593,200	592,000	592,000	591,541	−1,659	−459	−459
Marine Corps	197,200	197,200	197,159	197,159	−41	−41	
Air Force	571,000	567,900	558,889	567,474	−3,526	−426	8,585
Total, active	2,133,200	2,121,500	2,105,095	2,120,195	−13,005	−1,305	15,100
Reserve/Guard:							
Army Reserve	318,654	321,700	322,000	321,700	3,046		−300
Navy Reserve	152,600	153,400	153,784	153,400	800		−384
MC Reserve	43,600	44,000	44,000	44,000	400		
AF Reserve	83,615	84,900	85,353	85,353	1,738	453	
Army Guard	457,300	458,000	458,000	458,000	700		
Air Guard	114,975	116,200	116,910	116,938	1,963	738	28
Total, Guard/Reserve	1,170,744	1,178,200	1,180,047	1,179,391	8,647	1,191	−656
Total	3,303,944	3,299,700	3,285,142	3,299,586	−4,358	−114	+14,444

The Committee's main concern in its actions on the military personnel accounts has been to protect the men and women who make up our Armed Forces and, as nearly as possible, to provide a quality of life equal to that enjoyed by their civilian counterparts. The Committee's recommendations include funding the budget request for the 3.6-percent military pay raise, permanent change of station travel, special and incentive pays, and the variable housing allowance.

In an All-Volunteer Force, issues affecting the everyday life of military members and their families are of paramount importance, and the Committee has endeavored by its actions to assure that their importance is recognized.

UNIFIED AND SPECIFIED COMMANDS

In 1988, the Department of Defense inspector general did a study—the so-called Vander Schaaf report—identifying 7,309 positions in unified and specified command headquarters in the Department which could be eliminated. DOD agreed to eliminate 2,990 positions but decided to reallocate 2,244 positions to unfunded requirements in the military services. Both the House and Senate Armed Services Committees have cut active duty end strength in fiscal year 1990 by 1,305—the number of military personnel who would have been reallocated by the services to other areas (the remainder of the 2,244 are civilians). The Committee proposal accepts the recommendations of the Armed Services Committees and reduces military personnel appropriations by $43,184,000. The Committee notes that the House Defense appropriations bill reduced

SUMMARY OF MILITARY PERSONNEL APPROPRIATIONS, TITLE I

[In thousands of dollars]

	1989	Budget estimate	House allowance	Committee recommendation	Committee compared with—		
					1989	Budget	House
Military personnel, Army	24,484,745	24,704,300	24,610,000	24,558,217	73,472	−146,083	−51,783
Military personnel, Navy	18,962,456	19,337,400	19,363,300	19,290,816	328,360	−46,584	−72,484
Military personnel, Marine Corps	5,716,200	5,806,100	5,813,800	5,800,200	84,000	−5,900	−13,600
Military Personnel, Air Force	20,102,603	20,224,100	20,155,800	20,047,750	−54,853	−176,350	−108,050
Total, active	69,266,004	70,071,900	69,942,900	69,696,983	430,979	−374,917	−245,917
Reserve personnel, Army	2,261,200	2,243,300	2,265,700	2,225,164	−36,036	−18,136	−40,536
Reserve personnel, Navy	1,621,400	1,588,600	1,591,800	1,575,170	−46,230	−13,430	−16,630
Reserve personnel, Marine Corps	315,700	319,200	319,200	317,896	2,196	−1,304	−1,304
Reserve personnel, Air Force	657,964	668,900	674,400	672,129	14,165	3,229	−2,271
National Guard personnel, Army	3,334,000	3,246,700	3,252,200	3,246,700	−87,300		−5,500
National Guard personnel, Air Force	1,033,686	1,046,700	1,044,800	1,046,700	13,014		1,900
Total, Guard/Reserve	9,223,950	9,113,400	9,148,100	9,083,759	−140,191	−29,641	−64,341
Total, Military Personnel	78,489,954	79,185,300	79,091,000	78,780,742	−290,788	−404,558	−310,258

funding for all the services except the Navy. The Committee recommendation makes an appropriate reduction in Navy funding.

INF PERSONNEL

The Committee recommends a reduction to Army and Air Force military personnel appropriations of $121,633,000 associated with reduction of Pershing and ground launched cruise missile [GLCM] personnel in Europe resulting from implementation of the INF Treaty. These personnel were proposed to be added back by the Secretary of Defense for new missions in Europe. The Committee believes that these savings should be taken, but the recommendation assumes that the Army and Air Force may take them from missions that are not based in Europe. The House made end-strength reductions of 6,974 in the Army and 8,585 in the Air Force and reduced funding based upon these end strengths being off the rolls on October 1, 1989. The Committee's recommendation assumes a more gradual reduction in personnel over the course of fiscal year 1990.

A reduction of $17,790,000 is included in the "Operation and maintenance" accounts, reflecting 1,017 civilian positions that the Department had proposed to add back in Europe.

AVIATION CAREER INCENTIVE PAY

The House has provided $118,300,000 to fund an anticipated authorization for an increase in aviation career incentive pay [ACIP]. The Committee agrees that increased levels of ACIP may well be an excellent tool to retain experienced pilots in the military and further agrees that, if authorized, the increases should be paid. However, there was no budget request for these funds, and the Committee recommendation does not add the funding increase made by the House.

BASE CLOSURES

The Department of Defense's Base Closure Commission assumed savings in military personnel associated with the realignment of 145 military installations. The Committee has accordingly reduced military personnel accounts by a total of $39,500,000. For a fuller explanation, see the operation and maintenance section of this report.

FOREIGN CURRENCY FLUCTUATION ACCOUNT

The Department of Defense had requested that military personnel accounts be allowed to participate in the foreign currency fluctuation, defense, fund along with operation and maintenance accounts. The Committee agrees with the House in denying participation of the personnel accounts in the "Foreign currency fluctuation" account.

VARIABLE HOUSING ALLOWANCE

The Committee has recommended appropriating $1,221,164,000, the full budget request for the variable housing allowance [VHA]. Further, the Committee has recommended deletion of the cap on

VHA which has been in effect in the past. The Committee wishes to express its hope and intention that the Department will manage the variable housing allowance so as to remain within the funds appropriated. The Committee would be reluctant to approve any requests to reprogram funds into VHA.

Total Department of Defense direct off-post housing compensation to military members will exceed $6,400,000,000 for fiscal year 1990. This amount compares to under $800,000,000 spent to construct and renovate military dormitories and family housing facilities. The Committee is not convinced that these expenditures and this ratio of funding achieve the goal of ensuring adequate housing facilities for all military members and their families on an equitable basis.

Testimony received by the Committee illustrated these concerns. Military members in many locations endured substantial decreases in their housing allowances while not necessarily obtaining similar adjustments in their housing costs. The Department did not adequately budget and estimate variable housing allowance costs for fiscal year 1989. A midyear adjustment, while helping to offset some of the gap between the actual costs incurred by military members for housing costs, in fact exacerbated the budget problems faced by the Navy due to significant errors made in their budget submission.

The Committee understands the Department has nearly completed a comprehensive study of housing compensation issues. Concurrent with this effort, the Committee has requested the General Accounting Office to commence a preliminary review of the current and planned DOD housing compensation programs. Based on their initial findings, the Committee will request the General Accounting Office to expand the scope of their review to include analysis of the DOD studies underway, consideration of specific legislative initiatives to ensure an equitable housing program for all military members, and utilization of survey information obtained from military personnel for consideration during hearings on the fiscal year 1991 budget next year.

To aid the Committee in understanding both the work of the GAO and the DOD housing study, the Department shall report to the House and Senate Committees on Appropriations by January 15, 1990, clarifying the status of housing allowances as compensation versus reimbursements and establishing criteria for what constitutes adequate housing.

Proposals from the Department for changes in existing housing compensation programs should move towards achieving adequate, rather than minimally acceptable, housing for military members. Initiatives to improve or expand the existing stock of military owned or leased housing facilities should be considered as a long-term, cost-effective alternative to reduce the annual costs for VHA and BAQ. The review of military housing programs will be a top priority for the Committee during consideration of the Department's fiscal year 1991 budget.

MILITARY PERSONNEL, ARMY

Appropriations, 1989	$24,484,745,000
Budget estimate, 1990	24,704,300,000
House allowance	24,610,000,000
Committee recommendation	24,558,217,000

The Committee recommends an appropriation of $24,558,217,000 for fiscal year 1990. This is $146,083,000 below the budget request and $51,783,000 below the House allowance.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	24,704,300	24,704,300	
Unified/specified commands	−12,600	−12,600	
ACIP	+22,000		−22,000
Pershing	−103,700	−56,443	+47,257
Management savings		−19,000	−19,000
Active manning		+11,000	+11,000
Base closure		−4,500	−4,500
College fund		−32,900	−32,900
Enlisted subsistence		−11,000	−11,000
Foreign currency	—	−20,640	−20,640
Total adjustments	−94,300	−146,083	−51,783
Recommended appropriation	24,610,000	24,558,217	

SUBSISTENCE FOR ENLISTED PERSONNEL

The Committee has supported the establishment of food service alternatives for military personnel on military bases. The opening of recognized commercial restaurants, such as McDonald's or Burger King, accommodates the preferences of military personnel, supports morale and provides funds for other quality of life needs. These establishments have reduced the demand on military dining facilities. The Committee proposes a reduction of $11,000,000 to reflect actual requirements for enlisted personnel subsistence.

ARMY COLLEGE FUND

Contributions made to the defense educational benefits fund for the Army college fund are determined by actuarial data. These data indicate that contributions made on behalf of the college fund have been in excess in recent years and that it is unnecessary for the Army to make a contribution in fiscal year 1990 and for several years to come. The Committee notes that the amended DOD budget made a reduction of $28,000,000 from the original request of $60,900,000 for the fund based on these data. The Committee recommendation deletes the remainder of the budget request, $32,900,000, and includes bill language relieving the Army of the obligation to make a contribution in fiscal year 1990.

MANNING FOR THE 6TH LID

The Committee provides funding for personnel for the last battalion to complete the active component manning of the 6th Infantry Division (Light). The Army had scheduled activation for late 1990, and this adjustment assures achievement of this plan. Budget constraints had placed the activation schedule at risk. The inclusion of all military forces in Alaska in the Pacific Command has placed important mobility and deployment demands on this division as a crucial maneuver element of the Army Western Command. This allocation supports full manning of 766 military personnel beginning in the third quarter of fiscal year 1990. The Secretary of the Army should provide the Committee with the revised activation schedule for the battalion by December 15, 1989.

MILITARY PERSONNEL, NAVY

Appropriations, 1989	$18,962,456,000
Budget estimate, 1990	19,337,400,000
House allowance	19,363,300,000
Committee recommendation	19,290,816,000

The Committee recommends an appropriation of $19,290,816,000 for military personnel, Navy. The recommendation is $46,584,000 below the budget request and $72,484,000 below the House allowance.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	19,337,400	19,337,400	
Unified/specified commands		−16,884	−16,884
ACIP	+25,900		−25,900
Management savings		−25,400	−25,400
Foreign currency		−4,300	−4,300
Total adjustments	+25,900	−46,584	−72,484
Recommended appropriation	19,363,300	19,290,816	

NAVY COLLEGE FUND

The Committee has recommended appropriating $9,360,000 requested for the new Navy college fund, which is designed to attract high quality applicants in targeted critical skill ratings. The Committee understands that, as presently structured, a participant in the fund would be obligated to 4 years active service and 4 years in the Individual Ready Reserve. It seems likely to the Committee that, if shortages exist in certain specialties in the active Navy, they also exist in the Selected Reserve, and that part of the payback for participation in the Navy college fund should be service in the Selected Reserve. The Committee directs the Navy to examine this issue, to determine if there are parallel shortages in the active Navy and the Selected Reserve, and to report back to the House and Senate Appropriations Committees no later than June 30, 1990. If these parallel shortages do exist, the Committee will examine the benefits of service in the Selected Reserve during its consideration of the fiscal year 1991 appropriations bill.

Military Personnel, Marine Corps

Appropriations, 1989	$5,716,200,000
Budget estimate, 1990	5,806,100,000
House allowance	5,813,800,000
Committee recommendation	5,800,200,000

The Committee recommends an appropriation of $5,800,200,000 for fiscal year 1989. This is $5,900,000 below the budget and $13,600,000 below the House allowance.

All recommended adjustments to the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	5,806,100	5,806,100	
Unified/specified commands	−1,200	−1,200	
ACIP	+8,900		−8,900
Management savings		−1,000	−1,000
Foreign currency		−3,700	−3,700
Total adjustments	+7,700	−5,900	−13,600
Recommended appropriation	5,813,800	5,800,200	

Military Personnel, Air Force

Appropriations, 1989	$20,102,603,000
Budget estimate, 1990	20,224,100,000
House allowance	20,155,800,000
Committee recommendation	20,047,750,000

The Committee recommends an appropriation of $20,047,750,000 for fiscal year 1990. This recommendation is $176,350,000 below the budget request and $108,050,000 below the House.

All recommended adjustments in the budget request, including those items discussed elsewhere in the report, are summarized below:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	20,224,100	20,224,100	
Unified/specified commands	−10,900	−12,500	−1,600
ACIP	+61,500		−61,500
GLCM	−118,900	−65,190	+53,710

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Management savings		−25,400	−25,400
Base closure		−35,000	−35,000
B–52G squadron		−17,500	−17,500
Foreign currency		−20,760	−20,760
Total adjustments	−68,300	−176,350	−108,050
Recommended appropriation	20,155,800	20,047,750	

B–52G SQUADRON

The Committee has reduced the Air Force's military personnel request by $17,500,000 for personnel associated with the elimination of one B–52G squadron, discussed in detail in the operation and maintenance, Air Force, section of this report.

GUARD AND RESERVE PERSONNEL

End strength utilization.—Committee analysis of estimated versus actual end strength indicates that the Reserve components are annually falling below their authorized and funded end strength. This problem is the most severe in the Army Reserve which allowed $26,600,000 to expire in fiscal year 1988. The Committee recommendation reduces funding for all Reserve and Guard accounts by $37,941,000, based on the average percentage of unused end strength for fiscal years 1987 through 1989.

Average grade.—The Committee requests the Guard and Reserve components to reexamine their grade mix. According to data supplied by the Office of the Secretary of Defense, the average cost of a full-time Air Force Reserve officer is $93,900 per year. For comparison, the average cost of an active Air Force officer is $58,220. The average cost of a full-time enlisted Air Force Reservist is $49,305 per year. For comparison, the average cost of an active enlisted member is $26,189.

Force structure.—The budget proposes to downsize four Air Force Reserve squadrons and seven Air National Guard squadrons and an Air National Guard radar warning group, the 150th Air Warning Group. Six of these units are C–130 units, and two are tactical fighter squadrons. The budget also proposes to eliminate the 815th Air Force Reserve WC–130 hurricane reconnaissance squadron, which is discussed further in the operation and maintenance section of this report. These reductions would eliminate 1,143 paid drill strength, 48 full-time Guard military personnel, and 662 civilian technicians.

The proposed reductions appear to be based on an Air Force policy that force structure reductions should be shared between the active and Reserve components. The Committee believes that in a period of decreasing defense budgets, it makes sense to put more, not less, force structure into the Reserve components. Air Force Reserve and Air National Guard components are cost effective and combat ready. These units require less than one-half an active unit's operation and support funding and have proven at annual competitions that they are as fully capable of performing wartime missions as the active Air Force.

The Air Force proposal is especially unjustified in light of Air Force pilot attrition trends and is inconsistent with that service's efforts to secure more pay for pilots. The maintenance of Air Force Reserve and Guard aircraft and crews is the only way to ensure that skilled, combat trained pilots who leave the Air Force are retained and are available in wartime. Without flying positions available in the Reserve components, the investment in pilots who leave the Air Force to join an airline truly is lost. If these pilots not only join an airline but also are able to join a Reserve or Guard squadron, their skills are retained.

The Air Force proposal simply does not make sense. Accordingly, the Committee has increased military personnel appropriations by $6,000,000 and operation and maintenance appropriations by $20,080,000 to maintain these combat flying units and to retain and convert the radar warning group to a forward air control post.

RESERVE PERSONNEL, ARMY

Appropriations, 1989	$2,261,200,000
Budget estimate, 1990	2,243,300,000
House allowance	2,265,700,000
Committee recommendation	2,225,164,000

The Committee recommends an appropriation of $2,225,164,000 for fiscal year 1990. This is $40,536,000 below the House allowance and $18,136,000 below the budget request.

Recommended adjustments are summarized the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	2,243,300	2,243,300	
Unit and individual training	+25,000		−25,000
Mobilization training	+4,000		−4,000
School training	−10,000		+10,000
Special training	+6,000		−6,000
Administration and support	−6,200		+6,200
Benefits	+2,500		−2,500
Force structure	+1,100		−1,100
End strength utilization		−18,136	−18,136
Total adjustments	+22,400	−18,136	
Recommended appropriation	2,265,700	2,225,164	−40,536

RESERVE PERSONNEL, NAVY

Appropriations, 1989	$1,621,400,000
Budget estimate, 1990	1,588,600,000
House allowance	1,591,800,000
Committee recommendation	1,575,170,000

The Committee recommends an appropriation of $1,575,170,000 for fiscal year 1990. This is $16,630,000 below the House allowance and $13,430,000 below the budget request.

Recommended adjustments are summarized the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	1,588,600	1,588,600	
Benefits	+2,000		−2,000
Force structure	+1,200		−1,200
End strength utilization		−13,430	−13,430
Total adjustments	+3,200	−13,430	
Recommended appropriation	1,591,800	1,575,170	−16,630

RESERVE PERSONNEL, MARINE CORPS

Appropriations, 1989	$315,700,000
Budget estimate, 1990	319,200,000
House allowance	319,200,000
Committee recommendation	317,896,000

The Committee recommends an appropriation of $317,896,000 for fiscal year 1990. This is $1,304,000 below the House allowance and the budget request.

Recommended adjustments are summarized the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	319,200	319,200	
End strength utilization		−1,304	−1,304
Total adjustments		−1,304	
Recommended appropriation	319,200	317,896	−1,304

RESERVE PERSONNEL, AIR FORCE

Appropriations, 1989	$657,964,000
Budget estimate, 1990	668,900,000
House allowance	674,400,000
Committee recommendation	672,129,000

The Committee recommends an appropriation of $672,129,000 for fiscal year 1990. This is $2,271,000 below the House allowance and $3,229,000 above the budget request.

Recommended adjustments are summarized the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	668,900	668,900	
Benefits	+1,200		−1,200
Force structure	+2,000	+2,000	
Hurricane reconn.	+2,300	+2,300	
End strength utilization		−1,071	−1,071
Recommended appropriation	674,400	672,129	−2,271

NATIONAL GUARD PERSONNEL, ARMY

Appropriations, 1989	$3,334,000,000
Budget estimate, 1990	3,246,700,000
House allowance	3,242,200,000
Committee recommendation	3,246,700,000

The Committee recommends an appropriation of $3,246,700,000 for fiscal year 1990. This is $5,500,000 below the House allowance and consistent with the budget request.

Recommended adjustments are summarized the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	3,246,700	3,246,700	
Admin. and support	−4,500		+4,500
Benefits	+10,000		−10,000
Recommended appropriation	3,252,200	3,246,700	−5,500

NATIONAL GUARD PERSONNEL, AIR FORCE

Appropriations, 1989	$1,033,686,000
Budget estimate, 1990	1,046,700,000
House allowance	1,044,800,000
Committee recommendation	1,046,700,000

The Committee recommends an appropriation of $1,046,700,000 for fiscal year 1990. This is $1,900,000 above the House allowance and consistent with the budget request.

Recommended adjustments are summarized the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	1,046,700	1,046,700	
Admin. and support	−7,900		+7,900
Force structure	+3,500	+4,000	+500
SR-71 operations	+2,500		−2,500

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
End strength utilization		−4,000	
Recommended appropriation	1,044,800	1,046,700	+1,900

TITLE II

OPERATION AND MAINTENANCE

Appropriations, 1989	$85,293,742,000
Budget estimate, 1990	90,198,500,000
House allowance	89,557,104,000
Committee recommendation	86,094,619,000

The Committee recommends appropriations totaling $86,094,619,000 in title II, operation and maintenance, for fiscal year 1990. This is $4,103,881,000 below the budget estimate and $3,462,485,000 below the House allowance. The Committee recommendations, by appropriation account, are compared with the budget estimate and House allowance in the following table:

SUMMARY OF OPERATION AND MAINTENANCE

[In thousands of dollars]

	1989 enacted	1990 budget estimate	House allowance [1]	Committee recommendation [2]	Committee compared with—		
					1989	Budget	House
O&M Army	22,083,496	23,708,600	23,603,843	22,856,662	773,166	−851,938	−747,181
O&M Navy	24,852,100	25,954,600	25,748,601	24,106,207	−745,893	−1,848,393	−1,642,394
O&M Marine Corps	1,817,000	1,716,300	1,855,300	1,640,419	−176,581	−75,881	−214,881
O&M Air Force	21,721,673	22,812,200	22,708,743	21,986,987	265,314	−825,213	−721,756
O&M Defense Agencies	7,635,973	8,021,600	7,829,137	7,879,444	243,471	−142,156	50,307
O&M Army Reserve	794,900	861,900	863,100	861,900	67,000		−1,200
O&M Navy Reserve	979,200	980,000	1,002,400	895,200	−84,000	−84,800	−107,200
O&M Marine Crops Reserve	77,500	77,400	77,400	77,400	−100		
O&M Air Force Reserve	1,033,900	1,004,600	1,010,487	981,900	−52,000	−22,700	−28,587
O&M Army National Guard	1,801,200	1,870,200	1,867,100	1,870,200	69,000		3,100
O&M Air National Guard	1,971,000	2,041,200	2,054,093	1,988,400	17,400	−52,800	−65,693
National Rifle Board	4,300	4,700	4,700	4,700	400		
Court of Military Appeals	3,500	4,000	3,800	4,000	500		200
Environmental restoration	500,000	517,800	900,800	517,800	17,800		−383,000
Humanitarian assistance	13,000	13,000	13,000	13,000			
Goodwill Games	5,000	14,600	14,600	14,600	9,600		
DOD "Base closure" account		500,000		300,000	300,000	−200,000	300,000
Office of the Inspector General		95,800		95,800	95,800		95,800
Total O&M	85,293,742	90,198,500	89,557,104	86,094,619	800,877	−4,103,881	−3,462,485

[1] The House funded the "Base closure" account in the Military Construction appropriations bill and the Office of the Inspector General in a separate title.

[2] The Committee has provided $200,000,000 in operation and maintenance for drug interdiction and $275,000,000 of the 1990 civilian pay raise in other titles of the bill. This $475,000,000 in O&M funding is not reflected in the amounts displayed in the above table.

OPERATION AND MAINTENANCE OVERVIEW

Appropriations under this title finance the cost of operating and maintaining U.S. Armed Forces, including Guard and Reserve components and Department of Defense agencies. Included are pay and benefits for most civilian employees, fuel, rental and lease payments, repair parts, minor equipment and supplies, and contractor support. Activities such as flying hours and steaming days, training, education, base operations, recruiting and advertising, medical programs, supply operations, maintenance and repair of weapons systems and facilities, environmental cleanup, and administration are supported through these appropriations.

In developing its recommendations for fiscal year 1990, the Committee has sought to comply with the goals established by Secretary of Defense Cheney during development of the budget. The Committee has built its funding recommendations around additional goals that are intended to make the Department of Defense day-to-day operations more efficient and cost effective.

The Committee's top priority is personnel—supporting the 3,311,000 soldiers, sailors, marines, airmen, and guardsmen in uniform serving the Nation. The Committee's recommendations include:

—Fully funding the 3.6-percent military pay raise under title I, military personnel—an increase of $1,827,020,000 above 1989 appropriations, and the 3.6-percent civilian pay raise, an increase of $768,700,000 above 1989 appropriations;

—Providing $668,000,000 for recruiting and advertising to ensure that the Armed Forces can continue to attract quality personnel;

—Funding $6,342,100,000 in military medical care, including several new medical initiatives. One such initiative provides $60,000,000 to hire support personnel for Department of Defense medical facilities to allow physicians to spend more time providing medical care and less time performing administrative duties.

—Elimination of the legislative funding cap on morale, welfare, and recreation activities to provide greater flexibility so that the services can respond to military members and their families.

Second, the Committee's recommendation maintains combat readiness. The recommendation will maintain readiness through fully funding the training and operating tempos (flying hours, steaming days, and combat vehicle miles) needed to maintain combat-capable Armed Forces. The Committee has included increases above the budget totaling $712,700,000 to restore operating tempos to the levels funded in fiscal year 1989 and to repair Navy vessels. Highlights of this initiative include:

—$80,000,000 to allow Army armored maneuver battalions to train at 850 combat vehicle miles per year and mechanized maneuver battalions to train at 960 miles per year;

—$136,000,000 for Navy flying hours and steaming days required to allow fleet ships and aircraft to train at the operating tempos proposed in the budget. Pricing changes since submission of the budget would lead to lower operating tempos being executed;

—$60,000,000 for Air Force flying hours to allow tactical air crews to train at 19.5 hours per month versus the 18.4 hours per month supported by the budget. Fuel pricing errors used in computing the budget would lead to training shortfalls;

—$30,700,000 for Strategic Air Command and Air National Guard KC-135 tanker flying hours to provide 19 hours per month per crew instead of the 16 hours supported in the budget;

—$50,000,000 to increase unit rotations at Army training centers, including $10,000,000 to establish a new training center at Fort Leavenworth, KS, for division and corps commanders;

—An increase of $206,700,000 to the Navy's ship repair and modernization budget to ensure that adequate maintenance is performed on Pacific and Atlantic Fleet ships, and to repair the gun turret on the U.S.S. *Iowa*;

—$100,000,000 to respond to the new budget and programming responsibilities given to the commanders in chief [CINC's] under the Goldwater-Nichols Defense Reorganization Act. This fund will provide the Chairman of the Joint Chiefs of Staff the ability to respond to specific CINC initiatives that enhance the readiness of forces under their commands.

Third, the Committee recommendation maintains the forward deployment of U.S. forces. An increase of $362,000,000 over the fiscal year 1989 appropriated level is included to support increased foreign currency costs for operation of U.S. forces deployed overseas. The Committee also has provided an increase of $16,000,000 to support an enhanced Army presence in the Republic of Panama. The budget does not assume continuation of this important mission.

Fourth, the Committee recommendation supports productivity and competition to make day-to-day operations more efficient. The Committee's recommendation also accounts for savings that should result from such investments made in past years. The recommendation:

—Provides $81,000,000 to modernize Navy shipyards;

—Restores productivity legislation eliminated by the House and fully funds productivity programs reduced by the House such as Total Quality Management and the Model Installation Program;

—Restores Army civilian interns, which the Army had proposed to reduce, to fiscal year 1989 levels;

—Provides an increase of $10,000,000 so the Department of Defense can enhance its debt collection activities;

—Reduces $193,400,000 assuming a 1-percent productivity improvement in industrial activity rates; and

—Reduces travel by $60,000,000 resulting from the Department's investment in video-teleconferencing facilities at defense installations.

Fifth, the Committee recommendation supports the Secretary's efforts to improve management and reduce unnecessary and costly overhead. The Committee proposes:

—A reduction of $286,100,000 in savings resulting from implementation of acquisition reforms, organizational changes, and other efficiencies pursuant to National Security Review No. 11;

—A reduction of $120,456,000 for civilian personnel so reductions in the Department's overhead and support structure are more proportionate to its proposed reductions in military personnel and combat structure; and

—Disapproving $26,500,000 in requested increases for contractor studies, staffing, and automatic data processing at Air Force acquisition commands that will likely be reorganized and reduced through the Secretary's management initiatives.

Sixth, the Committee recommendation reduces funding for programs that should not be funded with operation and maintenance funding. Most of these programs, such as modernization and the Asset Capitalization Program [ACP], represent acquisition of major investment items that are not appropriate for funding through annual operating appropriations.

Seventh, the Committee recommendation makes force structure reductions where appropriate and has restored some force structure that it believes is cost effective or critical to national security. These changes are:

—Funding of $211,239,000 to ensure continued operation and support for the SR-71 strategic reconnaissance aircraft;

—Retention of the 53d and 815th WC-130 Air Reconnaissance Squadrons to maintain hurricane and severe weather protection for the gulf coast, Southeast and Pacific States, offset by disapproval of airlift force structure increases proposed for Japan and reductions in other lower priority Air Force meteorological programs;

—An increase of $20,080,000 to restore Air Force Reserve and Air National Guard force structure proposed for reduction. These reserve component units are cost effective and provide significant combat capability for a fraction of the cost of maintaining such crews and aircraft in the active Air Force; and

—A reduction of $29,500,000 resulting from the deactivation of one conventional B-52G squadron to help offset increased costs of developing, producing and supporting four types of Strategic Air Command manned bombers and four modes of basing four types of intercontinental ballistic missiles.

Finally, the recommendation enhances Departmental efforts to clean up contaminated sites and to conduct current operations in an environmentally sound manner. The recommendation:

—Fully funds the requested $517,800,000 to clean up past environmental contamination at former and current Defense installations; and

—Provides $610,000,000, a $200,000,000 increase, to control environmental pollution resulting from current Defense operations.

OPERATING TEMPOS

Unlike investment appropriations that can readily be measured by quantities, weapon effectiveness and unit cost, it is difficult to measure the output received from operation and maintenance appropriations. One operation and maintenance measure that does relate directly to readiness is operating tempo—the level of training for combat forces.

Selected operating tempo, or optempo, measures for Army, Navy, Marine Corps, and Air Force combat forces are depicted below. The requested tempos for Navy ship steaming days, Navy aircraft primary mission readiness [PMR] rates, and Air Force tactical flying hours have been adjusted to illustrate what the budget request would finance without Committee recommended increases. The Committee also recommends an increase in Army combat vehicle mileage that should have a direct impact on the combat readiness of Army maneuver battalions.

READINESS INDICATORS

	Fiscal year—				
	1980 actual	1988 actual	1989 estimate	1990 request	1990 recommendation
Flying hours per crew per month:					
Army Combat Forces	NA	15.4	15.0	15.0	15.0
Navy/Marine TACAIR/ASW [1]	25.0	24.1	25.0	25.0	25.0
Air Force TACAIR [1]	15.7	18.8	19.5	18.4	19.5
Navy steaming days per quarter: [1]					
Deployed fleets	56.6	53.3	50.5	50.5	50.5
Nondeployed fleets	28.6	26.5	29.0	22.0	29.0
Army combat vehicle mileage (per year)	NA	725.0	850.0	800.0	850.0
Marine Corps battalion training days (per year)	NA	6,762.0	6,860.0	6,896.0	6,896.0

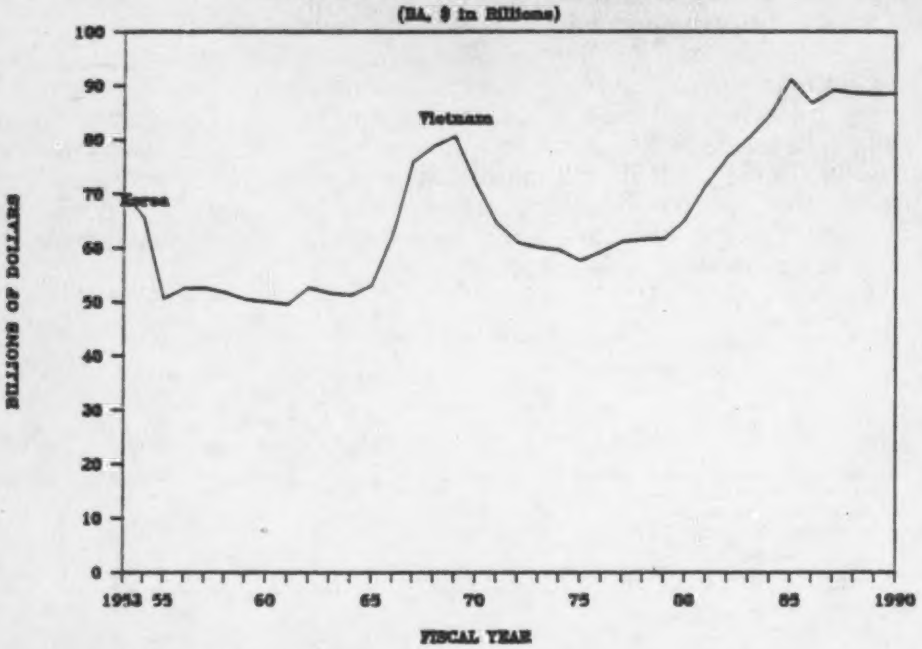
[1] Officially requested Navy operating tempos and Air Force flying hours are adjusted to depict what the budget request actually finances.
NA: Not available.

SERVICEWIDE OPERATION AND MAINTENANCE ISSUES AND PROGRAMS—FORCE STRUCTURE AND SUPPORT

Department of Defense operation and maintenance funding is at all time high levels. As the graph below illustrates, in 1990 constant dollars, the costs of operating and maintaining defense personnel, installations and forces are as high as any time since the Second World War. In constant 1990 dollars, eliminating the effects of inflation and transfers annual Department of Defense operation and maintenance costs are at levels above what was required at the height of either the Korean or Vietnam war.

O&M IN CONSTANT DOLLARS

(BA, $ in Billions)



Funding levels adjusted for transfers.

The reason for much of this growth in operation and maintenance remains unexplained. Some growth, no doubt, is attributable to the fielding and operation of more capable and expensive weapons systems. Obviously, many costs are attributable to the All-Volunteer Force and quality-of-life programs. And health and medical costs continually exceed standard inflation.

It is often assumed that to reduce these annual Department of Defense operation and maintenance costs significantly, combat force structure must be reduced. However, the fiscal year 1990 budget request suggests that reducing force structure will not yield significant savings—that is, savings will not be achieved, if we accept the pattern of reductions which is revealed in the budget. For example, the budget estimates that eliminating an entire mechanized brigade at Fort Carson would save only $24,000,000.

Committee analysis indicates that the Department of Defense does not adequately consider support structure and other overhead savings that should be realized when reducing force structure. When a combat unit is eliminated, the Department only reduces the costs directly attributable to operating that unit—fuel, consumables, depot maintenance, and pay. The budget claims only minor savings, because the Department does not reduce what it regards as fixed support costs and simply spreads them over a smaller number of remaining combat units. No reductions are made in field headquarters, communications, transportation, or administration. Only marginal adjustments are made for reduced supply and medical requirements and for reductions in the training base.

This limited approach pertains to military personnel as well. Since 1987, the Department has reduced 52,500 military end strength, three Air Force wings, two Army combat brigades, and it has downsized Army attack helicopter battalions and Navy antisubmarine warfare squadrons. The Navy has reduced its forces to 556 ships versus the 600 ships forecast. Significantly, no general officer positions have been eliminated.

While it may not be a simple task to accurately estimate the value of support and overhead that should accompany reductions in force structure, the current procedure, clearly, is in need of improvement. Army estimates of force structure savings provide a good example of why such refinement is required.

The fiscal year 1990 budget request for operation and maintenance, Army, total $23,708,000,000. It is astonishing, but accurate, to note that, if the Committee were to use the Army's cost estimating procedures and assumptions, the elimination of all 171 Army maneuver battalions, and all 85 Army artillery battalions, and all 60 Army aviation battalions would yield less than $2,000,000,000. The Committee could still appropriate well over $21,000,000,000 for an Army with virtually no combat capability.

Obviously one area of the supporting structure that should be reduced in proportion to combat strength is civilian personnel. The Department of Defense employs civilian personnel to support uniformed military personnel. (In point of fact, the Department of Defense employs one-half the Federal Government's civil work force.) On average, the Defense Department employs one civilian for every two military. If civilians in defense medical positions and those serving in depot maintenance positions are excluded, the ratio is 2½ active duty military end strength per civilian. However, while the administration's budget reduces 16,700 military end strength, it reduces only 664 civilians. Instead of a 2½-to-1 ratio, the Department proposes to reduce 25 soldiers for every civilian.

The reality of the current budget environment dictates that reductions in civilian personnel must be more proportionate to reductions in military personnel and force structure. The only way the Department of Defense can ensure that its proposed force structure reductions meet savings requirements is to make proportionate reductions in operating costs, and that means reductions in civilian and administrative support. To this end, the Committee recommends a reduction of $120,456,000 related to 6,684 civilian end strength. The Committee also recommends that the Department of Defense Comptroller review the current cost estimates for notional force structure units and develop a model that ensure a more accurate depiction of support costs.

OPERATION AND MAINTENANCE REPROGRAMMING THRESHOLDS

The Committee's fiscal year 1989 report, page 37, increased the threshold for operation and maintenance appropriation reprogrammings from $5,000,000 to $10,000,000. The language also provided direction on the expenditure of funds specifically increased in the report. While the Department took advantage of the flexibility provided for reprogrammings, it did not abide by the balance of the report language in the same paragraph. This language directed that items and programs specifically increased in the report must be spent for the purposes appropriated, unless a reprogramming or an official rescission is approved. The Army's unilateral reallocation of funds provided for extended cold weather clothing and inactive ammunition plant maintenance are two obvious examples of noncompliance.

The Committee reiterates that items specifically increased in this fiscal year 1990 report are to be spent only for the purposes appropriated unless an official reprogramming or rescission is approved. If the Department of Defense fails to comply with this language in fiscal year 1990, the Committee will return the reprogramming threshold to below $5,000,000 and also will entertain more restrictive operation and maintenance appropriations language in fiscal year 1991.

DEPOT MAINTENANCE BACKLOGS

The House allowance increases Army and Air Force depot maintenance by $150,000,000 each to buy out or reduce depot maintenance backlogs. The Committee has reason to question the validity of such backlogs and does not concur with these House proposed increases.

In fiscal year 1989, the Committee expressed its lack of confidence in the Department's depot maintenance backlog estimates (pp. 38, 39 of Report 100-402). To ensure Secretarial review and verification, the Committee tasked the Department of Defense Comptroller and Assistant Secretary of Defense [ASD] for Production and Logistics annually to review and certify to the House and Senate Appropriations Committees that they concur with the backlog estimates of each service.

The fiscal year 1989 certification was received on March 30, 1989. Unfortunately, it appears that the former Comptroller and Assistant Secretary of Defense for Production and Logistics did not devote much effort to this review. The Committee's review of the backlog estimates contained in the President's budget indicates significant inconsistencies. Since submission of the budget, the Army has undertaken its own review of its backlog estimates and it appears that only one-third of the backlog will be deemed to be valid.

There does not appear to be a verifiable relationship between requirements, appropriations, and reported backlogs. The case study of Air Force exchangeable backlogs illustrates this imprecission.

In fiscal year 1989 the Air Force requested $1,415,374,000 for the repair of aviation and nonaviation exchangeables. The backlog accompanying this request was $290,100,000. In response to concerns that depot maintenance for exchangeables had been reduced in fiscal year 1988, Congress added $63,800,000 to the Air Force depot maintenance program for a total fiscal year 1989 program of $1,479,174,000 in exchangeables.

These congressional depot maintenance increases should have reduced the backlog for exchangeable depot maintenance. However, the Air Force's 1990 budget justifications indicate that the 1989 depot maintenance program for exchangeables was reduced through internal Air Force reprogrammings to $1,329,903,000, a reduction of $149,281,000 below the appropriated level, and a reduction of $85,471,000 from the original budget request. One would expect this Air Force action to have increased backlogs. However, the fiscal year 1990 Air Force budget justifications also indicate that the fiscal year 1989 exchangeable backlog has dropped to $201,900,000. Thus, a reduction in depot maintenance funding resulted in a reduction in the depot maintenance backlog.

The Committee reiterates its concerns regarding backlog estimates. It hopes that the new Department of Defense Comptroller and Assistant Secretary of Defense for Production and Logistics will make a more thorough effort to analyze and validate depot maintenance backlogs accompanying the fiscal year 1991 budget.

OVERSEAS COSTS AND FORCE STRUCTURE REPORTS

The Department of Defense Comptroller and Assistant Secretary of Defense for Program Analysis and Evaluation [PA&E] have been extremely responsive to fiscal year 1989 Senate appropriations bill and report language regarding overseas costs and historical force structure analysis. The PA&E effort to track United States force structure historically has been needed for quite some time, and the Comptroller's overseas cost report is a high quality resource. The Committee appreciates and recognizes the outstanding efforts of Office of the Secretary of Defense and service staff in preparing these analytical products.

ENVIRONMENTAL PROGRAMS

Environmental restoration.—The Department of Defense has made significant progress in cleaning up contamination caused by past pollution at defense installations. These efforts are funded through a separate appropriation, "Environmental restoration, defense." The Committee has fully funded the budget request of $517,800,000 for these remedial projects.

While progress has been made, much more needs to be done in the future to address sites contaminated by past practices. As the restoration program continues to transition from assessments to remedial cleanup, budget requirements will likely increase significantly. The Committee recommends that departmental budget requests for environmental restoration, defense be based on programmatic requirements rather than the previous year's appropriation.

Intergovernmental coordination.—With an identified list of projects that will require over $10,000,000,000 to clean up, it is increasingly important that the Department's priority setting and cleanup activities be carried out in coordination with States and local communities. The Committee is pleased that the Office of the Deputy Assistant Secretary of Defense for Environment has taken the initiative to develop such an intergovernmental framework. Working with various State and local government interest groups, the Department is developing cooperative agreements that: (1) Determine each State's lead agency for the Department of Defense to deal with; (2) assist State environmental planning efforts; (3) establish agreement on funding and project priorities; and (4) provide a framework for resolving disputes. The Committee hopes that this cooperative process will enable the conflicts over environmental restoration to be resolved outside the legislative process.

Improving current operations.—Mitigation of environmental contamination from current defense operations and disposal of hazardous waste incident to defense operations are funded through the military services' "Operation and maintenance" accounts rather than "Environmental restoration, defense" account. The budget does not clearly identify such funding, but it is estimated that approximately $410,000,000 is included in the 1990 request for these programs. Unfortunately, the requested level is well under requirements and, if not addressed, will create future contaminated sites that require funding in the "Environmental restoration, defense" account.

To reduce environmental contamination, the Committee recommends an increase of $200,000,000 to be used only for environmental facilities and hazardous waste disposal operations. This will result in a total program of $610,000,000 for these activities. This increase should enable the Department of Defense better to comply with the Resource Conservation and Recovery Act, the Clean Air Act and Clean Water Act. The increase of $100,000,000 for the Army should enable the service to fulfill goals set forth in the Environmental Compliance Achievement Program it recently initiated, and to curtail environmental contamination at several Government-owned contractor operated ammunition plants.

Budget justifications.—The current distinction between environmental restoration, defense remedial cleanup projects versus environmental facility projects funded with normal "Operation and maintenance" appropriations makes it difficult for the Committee and the public to review the entire defense environmental effort. Accordingly, beginning in fiscal year 1991, the budget should clearly identify all environmental funding contained in the "Operation and maintenance" (as well as procurement and research and development) accounts, not only the "Defense environmental restoration" account. To ensure adequate oversight and management of a coordinated environmental effort, the Committee believes that the Deputy Assistant Secretary of Defense for Environment should have policy responsibility and oversight for the entire defense environmental effort, not simply the restoration program.

Program oversight.—The Committee also recommends that the Secretary of Defense review the Department's current organizational structure for environmental programs. The Deputy Assistant Secretary of Defense for Environment appears to be buried in the OSD organization. As the Department of Defense's principal representative on all environmental issues to Congress, other Federal agencies, and State and local governments, elevation of this position seems in order. At a minimum, the Committee believes that the DASD for environment should report directly to the Under Secretary of Defense for Acquisition.

VIDEO TELECONFERENCING FACILITIES

During the past few years, the military services and defense agencies have been constructing and leasing video teleconferencing facilities. By using such facilities, participants can see and hear each other rather than using a conference telephone call or traveling to the other installation. The Army has constructed more of these facilities than any other service. While costs vary, a typical Army video teleconferencing facility costs approximately $500,000 to acquire and $100,000 per year to operate.

Unfortunately, no defense activity including the Defense Communications Agency assumed management oversight over the acquisition of these centers. As a result, 20 service and Defense Agency facilities have been built in the Washington, DC, metropolitan area.

The increased use of video teleconferencing facilities should produce savings through reduced travel requirements. The budget, however, does not assume such savings. The Committee has reduced travel by $60,000,000 in recognition of the savings that should result from these technology investments. Future budget justifications should clearly request and justify funding for these systems.

PRODUCTIVITY SAVINGS

The House allowance eliminates funding for several Department of Defense programs intended to achieve greater productivity, such as total quality management training and the model installation program. The House also eliminated bill language that is intended to allow productivity programs not currently authorized by permanent statute. These programs are intended to motivate Department of Defense civilian and military personnel to assume a greater sense of personal responsibility and commitment to defense programs. The Committee does not concur with the House and, instead, recommends supporting Department of Defense programs to achieve greater productivity.

From 1980 to 1988 the Congress funded approximately $20,000,000,000 in labor saving automation, equipment, and productivity training and incentive award programs. However, while such programs are annually justified on the basis of savings, there is little evidence that such savings have been recognized or reflected in reduced budgets. Only a few defense activities, such as Navy shipyards, which are making major reductions in overhead positions, and the Defense Logistics Agency, can indicate how productivity initiatives result in budget reductions.

The Committee believes that productivity training programs, incentive programs, and labor saving automation and capital equipment should continue to be supported. However, these investments must result in real savings rather than merely avoiding cost growth not currently budgeted in the Department's 5 year budget estimates. Accordingly, the Committee recommends a 1-percent gain in productivity to be achieved at industrial activities through reductions in overhead, labor rates, production methods, and materiel. This productivity gain results in a savings of $193,400,000. Because they already have reflected such savings, the Defense Logistics Agency and Navy shipyards should not be allocated any of this reduction.

Unit cost.—One of the impediments to effectively analyzing defense activities and, therefore, measuring productivity—is the Department's budget and accounting systems. These systems focus on inputs and not outputs. The budget describes number of personnel, ADP costs, and base operations costs, but does not allocate these costs to a unit of output.

The fiscal year 1987 appropriations conference report noted this same inattention to unit costs. The Committee is pleased with the Assistant Secretary of Defense for Logistics' achievements in the depot maintenance arena, and supports the Department's current effort to evaluate other operation and maintenance funded activities on a similar basis. The Committee looks forward to future departmental budget requests that present unit costs and clearly account for savings from productivity investments.

INDUSTRIAL FUND FINANCING

The Committee shares the House Appropriation Committee's frustration with the Department's current management of industrial fund rates, refunds and passthrough appropriations. While the Committee does not share the House view that passthrough appropriations should be discontinued, the Committee believes that more flexibility in setting industrial rates is in order. Further, the Committee believes that the Department should abide by standard procedures that were in force until fiscal year 1989 by which refunds and passthroughs were controlled by congressional action.

In fiscal year 1989, Congress did not approve the refund of $50,000,000 in asset capitalization charges to the Army and Air Force operation and maintenance accounts. This action would have not allowed the industrial funds to account for depreciation and would have created a loss. The Department, however, unilaterally approved a refund in the form of a transfer, thus intentionally causing a loss of $25,000,000 each in the Army and Air Force industrial fund. In fiscal year 1990, the Department now requests $50,000,000 to make up this self-created loss. The Committee denies this increase and will not approve such a passthrough request in future budgets.

Passthrough appropriations are a legitimate financing mechanism to make up prior year losses in industrial funds. The Committee believes, however, that the Department should assume a more flexible means of controlling industrial fund rates to ensure that major losses are not created by failing to reflect fact of life changes. Further, since passthrough appropriations are intended to simply build-up a corpus, an operating cash balance, the Committee recommends that the Department be more precise in justifying the level of operating cash required for each industrial fund by activity group.

ASSET CAPITALIZATION

In 1983, the Department of Defense transferred funding for replacement industrial equipment from procurement to operation and maintenance and established the asset capitalization program [ACP]. Investment decisions that had been made on a centralized service basis were delegated to the command and installation level. It was anticipated that this program would better reflect equipment as a cost of doing business and would better ensure that investments kept pace with depreciation costs.

The Committee has always supported the acquisition of industrial plant equipment. However, for some time the Committee has questioned the type of investments the Department was making and the lack of ACP oversight. The General Accounting Office [GAO] recently completed an audit of the ACP that highlighted significant problems. GAO reviewed a sample of 206 projects that have been funded by the $5,000,000,000 ACP since 1983. GAO found that much of the funding for industrial equipment was diverted for software development, minor construction and even office furniture. GAO found that many ACP projects were unnecessary or at best marginal. For example, one activity procured an industrial robot for $141,000 that was used for 4 hours and then placed in storage. Further, GAO found that the services made little effort to determine if savings forecast were ever realized.

The acquisition of labor saving depot maintenance and other industrial equipment is an important program that the Committee continues to support. The experiment of funding such major investment items from service "Operation and maintenance" accounts, however, has been unsuccessful. The Committee recommends, therefore, that funding responsibility should return to the "Procurement" accounts and recommends a reduction of $519,300,000. In that manner, the Office of the Secretary of Defense and service headquarters can ensure adequate review so industrial equipment is procured that will result in greater productivity. If the Department elects, it could continue to evaluate industrial equipment requirements on the basis of depreciation as under the ACP.

MANAGEMENT SAVINGS AND COMPETITION

The budget assumed savings of $286,100,000 resulting from implementation of defense management review conducted pursuant to National Security Review No. 11. This review calls for major changes in the Department of Defense acquisition systems, command structure, and management structure. It recommends reductions to achieve smaller, higher quality staffs and reductions in the 580,000 civilian and military personnel employed in the acquisition field. By eliminating management layers, consolidations, elimination of lower priority research, development and procurement-related functions, and improvements in acquisition management, logistics and maintenance activities—the review sets a goal of reducing annual costs by $7,500,000,000 by fiscal year 1993.

The Committee fully supports the Secretary's efforts. However, as noted in the Secretary's report, many of these acquisition commands are staffed with military personnel. The Air Force Systems Command, for example, employs 10,407 military. Since the Secretary's management actions should affect military and not only civilian personnel, the Committee recommends a reduction of $71,000,000 in title I, military personnel.

The Committee supports the Secretary's management actions and looks forward to specific proposals beyond the creation of a Defense Contract Management Agency. The Committee agrees with the House that consolidation of supply activities is an area that should yield significant efficiencies. Transportation and automated data processing are two areas in which there also appear to be significant savings to be derived from centralized management. In fiscal year 1989 alone, the Department of Defense will spend over $11,000,000,000 of its operation and maintenance appropriations on these programs.

Competition.—The Secretary's management initiatives should include expanded use of competition to reduce day-to-day operational costs. For example, the Navy has annually competed a portion of its ship maintenance and aircraft maintenance workloads between Navy facilities and the private sector. These public/private competitions have reduced costs to the taxpayer by requiring efficiencies in Government facilities and more competitive bids from private repair facilities.

Unfortunately, the Navy is the only service that has supported either public/private or interservice depot maintenance competition. The Committee believes that if the Secretary of Defense is serious about achieving the management savings forecast in his report to the President, then it is time that he take a leadership role in supporting the Navy's efforts and ensuring that the Navy model in competition is adopted by other services. Accordingly, the Committee has included a provision, section 9088, to allow (not require) the Secretary to proceed with such a program.

BASE OPERATIONS

The Department of Defense recently submitted a report in response to the House Appropriations Committee's concern regarding base operations funding. A review of the data indicates that the Department of Defense has annually overstated its utility costs, and then, following appropriations, reprogrammed the funds for other purposes. The Committee recommendation reduces the 1990 $12,000,000,000 base operations request by $117,750,000, an amount equivalent to one-half the average annual overestimate in each of the past 5 years.

REAL PROPERTY MAINTENANCE

The Committee recommendation funds $4,591,400,000 for real property maintenance, an increase of $216,700,000 over fiscal year 1989 levels. The Committee recommendation fully funds real property maintenance for airfields, docks, combat facilities, medical activities, and community, troop housing, and dining facilities. A reduction of $132,400,000 is recommended for administrative and supply activities.

Beginning with the fiscal year 1991 budget, service justifications should clearly provide real property maintenance as defined by the Department of Defense review of real property maintenance conducted in response to the fiscal year 1989 appropriations conference report. This will facilitate programmatic review of the real property maintenance budget. Further, all real property maintenance and minor construction projects costing in total more than $500,000 should be listed by site and justified.

BMAR.—For several years both the House and Senate Appropriations Committees have questioned the validity of the backlog of maintenance and repair [BMAR] measure. It sometimes seems as though the only verifiable aspect of the BMAR is that it will increase whether funding increases or decreases. Projects are not eliminated from the list, and the value of BMAR projects annually increases. Because of the methodology followed, the BMAR really represents the difference between cumulative budget requests for real property maintenance and cumulative appropriations. In a sense, the BMAR statistic is analogous to the charts often depicted by past Defense Secretaries indicating the cumulative difference between defense budget requests and appropriations.

The Committee believes the BMAR measurement needs improvement. Specifically, it should be measured in terms of priority and it should only represent executable projects. If a project in the BMAR has been passed over by the services after several years, then the BMAR project is not a high priority. The Committee directs that if a BMAR project is passed over for 4 years, it shall no longer be carried in the Department's BMAR estimates reported to Congress.

AUTOMATED DATA PROCESSING

The House Appropriations Committee has conducted an in-depth review of automated data processing requirements, including software development. Many of the House recommendations have merit, and as this report's discussion of management savings notes, the Department's annual ADP costs could likely be reduced significantly through more consolidation and elimination of redundancy. The current process allows similar requirements between services, for example tracking supply inventories, to generate totally separate and incompatible computer programs and software.

The Committee believes, however, that the House recommendation is too program-specific, does not allow sufficient flexibility, and does not sufficiently recognize the need to develop common accounting systems. The Committee accordingly recommends $5,221,593,000 for departmental ADP. This level is $312,351,000 below the budget, but $411,982,000 above the House allowance.

A-76 EFFICIENCY STUDIES

The Committee does not agree with the restrictive House language intended to terminate the A-76 efficiency studies. The Committee has in the past criticized the A-76 program, and has recommended that the program be a two-way street. The Department should review not only in-house activities that can be contracted out, but also contract activities that could be performed at less cost by Government employees.

The administration argues that the A-76 study process yields significant savings from most efficient organization studies and through competitive contracting out procedures. Consistent with action in past years, the Committee has agreed to the House estimated savings for A-76 studies because the savings from studies should be passed on to the taxpayers. Thus, a reduction of $160,300,000 is included in the recommendation.

MODIFICATION/ALTERATIONS

The Committee has agreed with action by the House and Senate Armed Services Committees to fund modifications with procurement appropriations. This change has been recommended by the Department of Defense and is intended to ensure that the full cost of modernization is accurately reflected in the procurement of end items.

PRINTING AND REPRODUCTION

The Committee recommends a reduction of $21,300,000 in the Department's printing and reproduction request of $150,094,000. Over the past 2 years the average growth of printing and reproduction costs among the Services has been nearly double the rate of inflation. For fiscal year 1990, the Army alone has requested $65,000,000, over twice that of the Navy.

The Secretary of Defense recently highlighted the number and cost of defense reports directed by Congress. The Secretary indicated that many of these reports were costly and unnecessary and claimed that the reports for Congress required 370 man-years at an estimated cost of $35,800,000.

The Secretary's attention to the full cost of Department of Defense reports is a worthwhile effort. However, this effort should not merely pertain to congressionally directed reports, but rather the myriad of defense publications and reports on topics ranging from personnel management to morale, welfare and recreation to the Secretary's annual report. Accordingly, the Committee has included bill language and directs that each Department of Defense publication and report, including reports for Congress, clearly identify total costs entailed in the production, printing and reproduction. This includes manpower, overhead, and material costs, as the Secretary used in his analysis.

FOREIGN CURRENCY SAVINGS

The budget requests an increase of $517,200,000 over fiscal year 1989 appropriations for increased costs of foreign currencies, principally the West German mark, British pound, and the Japanese yen, vis-a-vis the United States dollar. While the value of international exchanges varies from day-to-day, the President's own amendment of the original 1990 budget demonstrates that it is prudent to adjust the next year's estimate to reflect an improving dollar. Since submission of the budget, the dollar has strengthened, at one point allowing a $354,000,000 reduction, without any impact on programs. The Committee recommends a pricing adjustment of $155,200,000, which still allows an increase of $362,000,000 over 1989 appropriations.

OVERSEAS TRAINING

During the past year, the Department of Defense has significantly reduced the scope and method of training in joint exercises. Overseas exercises such as Reforger, Autumn Forge, and Team Spirit have been canceled or significantly cut back. Fewer units are taking part in these large scale exercises, and training is being changed to focus on more individualized and small unit exercises. The full impact of these changes were not assumed in the budget and will result in significant savings. Transportation, optempo, and supply costs should all decrease significantly. Like the measure the Marine Corps uses for its ground force operating tempo—battalion training days—the number of exercises can remain the same, but costs decrease significantly. The Committee recommends a reduction of $30,400,000 in the JCS exercises and service accounts.

BASE CLOSURE AND REALIGNMENT SAVINGS

Three-fourths of the annual $694,000,000 recurring savings recommended by the Secretary's Commission on Base Closures and Realignments are attributable to a reduction of military and civilian personnel strengths. These savings were used to justify specific closure actions and in meeting the 6-year payback period stipulated in the Commission's report. The Commission estimated that savings in personnel would occur beginning in fiscal year 1990.

During Committee hearings on the Commission's recommendations, it became clear that the Department does not intend to reduce personnel strengths resulting from the closures and realignments. Thus, the Department's plan will ensure that no savings from base closure and realignment are used to reduce the budget. Thus, three-fourths of the savings recommended by the Commission will merely be reinvested in new positions.

Under the Department of Defense Priority Placement Program, which was established specifically to deal with such installation employment impacts, the actual personnel displaced will be able to remain in Department of Defense jobs. However, positions for the total service should be reduced. This is often referred to as the difference between faces and spaces. Reducing net positions or spaces is the only way to ensure that the Base Closure Commission's recommended savings are realized. Therefore, a reduction of $26,000,0000 is included in operation and maintenance and a reduction of $39,500,000 (one-half the Commission's estimate) is included for savings in military personnel.

CLASSIFIED PROGRAMS

The Committee recommends a reduction of $106,200,000 from the budget for classified programs, which is $102,240,000 above the House allowance. These programmatic adjustments are explained in a classified annex to this report.

STOCK FUND MANAGEMENT

Department of Defense stock funds are working capital funds that are used to facilitate the provision of supplies for day-to-day defense operations. Determination of what type of supplies, timing of procurement, and inventory levels largely is controlled by the Department of Defense and Office of Management and Budget through contract authority and the apportionment process. Stock fund procurement activities are not controlled through the appropriations process.

At any given time, stock fund managers are involved in a number of transactions that create expenses and generate revenues. These include: (1) Making obligations for new supplies to be delivered at a future date; (2) paying producers for delivery of supplies previously ordered; and (3) selling supplies to Department of Defense customer accounts, principally operation and maintenance.

Stock fund cash is needed to pay producers for items previously ordered, and it can be generated in several ways. First, a stabilization surcharge is included in the rates charged to customer accounts. Second, new orders can be slowed down and inventories reduced. (The Department has used this second method frequently.) Third, the stock fund can request cash advances from customer accounts, as the defense stock fund did in fiscal year 1989 when it required the Army to pay $200,000,000 for deployable medical systems not yet ready for delivery. Finally, the Air Force recently created $500,000,000 in stock fund cash by adjusting expired prior year Air Force operation and maintenance obligations to recover unpaid stock fund deliveries of fuel. (The Committee agrees with the House that this latter method is unusual, but does not believe that the Air Force should be required to use current stock fund cash resources to payback expired accounts as the House has proposed).

Current departmental policy calls for the maintenance of cash balances to cover 11 days of operation. The fiscal year 1990 budget stock fund rates include surcharges established to maintain this 11 days of cash balance. The Committee believes, however, that the Department's current 11 days of cash policy is overly conservative and does not recognize improvements in automated data processing and information systems that allow better information concerning both receipts and expenditures. The General Accounting Office has recommended that the Department of Defense stock funds maintain only a 3-day cash balance. The Department itself does not believe that 11 days is required, as evidenced by reprogramming request 89-33 PA that reduced Army stock fund cash from 11 to 5 days of cash and the Defense Logistics Agency reprogramming request 89-37PA.

The Committee recommendation makes several adjustments totaling $442,250,000 based on reduced stock fund cash requirements. First, the Committee recommends that the Department adopt a 5 days of cash policy. This policy change allows a reduction of $288,250,000, assuming that the Department will phase in the 5 day policy during fiscal year 1990. Second, the Committee reduces Navy stock fund cash by $94,000,000 for cash in excess of 11 days on hand at the end of fiscal year 1989. Finally, the Committee assumes a $60,000,000 defense stock fund refund for the Defense Logistics Agency [DLA]. Annually, the DLA has reprogrammed cash from the defense stock fund to restore congressional reductions or fund programs never requested. In conjunction with the Committee recommended increase for DLA supply operations explained later in this report, the DLA should not require any such stock fund transfers in fiscal year 1990.

Finally, the Committee has amended House language, section 9054, to allow rather than mandate stock fund refunds in fiscal year 1990.

UNMANNED AERIAL VEHICLES

In fiscal year 1988, the Congress consolidated military service unmanned aerial vehicle [UAV] programs into a joint project office. The Committee directs the Department to establish a separate maintenance activity group within budget activity three of the operation and maintenance, Defense Agencies, fiscal year 1990 appropriation for the maintenance, repair, training, and support of the UAV systems managed by the joint office. The Department of Defense Comptroller is directed to ensure that $15,570,000 will be provided from the military service "Operation and maintenance" appropriations for the separate UAV maintenance activity group. The appropriations that are the sources of this funding are to be as follows: Operation and maintenance, Army—$2,250,000; operation and maintenance, Navy—$12,890,000; and operation and maintenance, Air Force—$430,000.

ATTENDANCE AT FOREIGN MILITARY COLLEGES

Each of the military services has a program under which U.S. military officers attend foreign war colleges and schools. The Committee has become aware that some of the officers participating in these programs devote more of their time to traveling than to attending the foreign military academic institutions. In one instance which came to the attention of the Committee, an officer traveled three out of four semesters, attending class only one. While the Committee agrees that an officer specializing in a certain country should be familiar with that country geographically, the real justification for his presence in the country is to attend school. The Committee, therefore, directs that any military officer attending a foreign war college or school shall be in attendance at least three-quarters and shall spend no more than one-quarter of his time in travel (excluding the time spent going to and from the school at the beginning and end of his assignment).

JOB CENTERS

The Committee is concerned that the Department of Defense is instituting a new program setting up computerized job centers which are duplicative of programs already available in the several States. The Committee directs that military installations in the United States utilize the State-based career information delivery systems supported by the National/State Occupational Information Coordinating Committees, authorized under section 422 of the Carl D. Perkins Vocational Education Act of 1963 and section 464 of the Job Training Partnership Act. Non-State-based career information delivery systems should be introduced into military installations only in cases where comparable State-based systems are not available.

MORALE, WELFARE, AND RECREATION

In years past, the Congress has included general provisions which placed a cap on the funds that might be expended on morale, welfare, and recreation [MWR] activities in the Department of Defense and a limitation on the number of full-time and part-time military personnel who might be used to support these activities. The Committee agrees with the House in deleting the cap in fiscal year 1990. However, the Committee has some trepidation that, with the new initiatives on child care which have been proposed by the House and Senate Armed Services Committees, and in the absence of any congressional restraints, the Department may find itself in the position of taking funds from readiness activities to fund MWR. Therefore, the Committee recommends an appropriation (excluding military construction funding) of $1,327,882,000 (the budget request) for morale, welfare, and recreation activities and directs that, if the Department exceeds this amount by more than 10 percent, it must reprogram any additional funds from military personnel accounts.

U.S. MEAT PRODUCTS IN MILITARY COMMISSARIES/DINING HALLS

The Committee agrees with a provision of the Senate version of the defense authorization bill which requires that meat and meat food products used in U.S. military commissaries and dining halls in Europe must be produced and processed in the United States. The Committee further agrees that funding for procurement and shipment of these commodities shall be from within funds available to the Department of Defense in operation and maintenance accounts.

HOUSEHOLD GOODS CLAIMS

A recent report by the General Accounting Office reveals that the military services are not pursuing reimbursements, from third parties covered by insurance, of claims resulting from damage or loss in the movement of household goods. In addition, the Services apparently have a tendency to pay claims without fully investigating whether the amounts claimed—or the claims themselves—are justified. The Committee's recommendation reduces funding for household goods claims by $6,000,000. The Committee expects that the services can recoup this amount by reducing the number of unjustified claims and by actively pursuing reimbursements from carriers and private insurance companies.

OTHER REDUCTIONS

The Committee has included several reductions that already have been approved by the Senate. These include: (1) $38,900,000 in savings from transferring management responsibility for the Pentagon from the General Services Administration to the Department of Defense; (2) $60,000,000 related to command, control, and communications activities; (3) $72,100,000 related to passthroughs; (4) $8,800,000 from reductions in claims; and, (5) $8,000,000 related to the SOSUS system.

ENERGY

Domestic consumption of coal.—Since fiscal year 1986, the Congress has enacted provisions requiring the Department of Defense to achieve an annual increase in domestic consumption of coal of 1,600,000 tons (including 300,000 tons of anthracite coal) by fiscal year 1994. The Committee was delighted to learn, in a letter to the chairman dated August 7, 1989, signed by the Deputy Secretary of Defense, that contracts signed with private parties to date will result in plants that will use 1,200,000 tons more bituminous coal per year—which is 95 percent of the 1994 target for bituminous coal. The Committee was, however, concerned to note that the Department has not made the same progress in increasing domestic consumption of anthracite coal.

While the Committee has not incorporated a domestic coal consumption target provision in the bill for fiscal year 1990, the Committee wishes to make clear that it expects the Department to continue, without modification, its efforts to increase domestic consumption of coal as outlined in the Department's letter signed by the Assistant Secretary of Defense for Acquisition and Logistics, and dated August 30, 1985. The Committee will closely monitor the Department's progress during the coming fiscal year.

Modernization of defense heating facilities in Europe.—When undertaking any modernization of Department of Defense heating systems in Europe, the Committee expects that the Department will make every effort to utilize United States coal in such heating systems, consistent with the provisions of section 2690, title 10, U.S. Code.

HEALTH AND MEDICAL ISSUES

Medical support staff.—As Committee members have visited military medical treatment facilities [MTF's] across the country, one of the most frequently heard complaints has been that all of the MTF's suffer from critical shortages of support staff. Physicians have complained that they are typing their own patient records and spending valuable time performing tasks that could be done more easily and efficiently by nonphysician staff. They have theorized that having sufficient support staff would increase their ability to offer more effective and increased health care within MTF's.

The Committee has been greatly concerned that recent reports have indicated a slight increase in the issuing of nonavailability statements by MTF's and a slight decrease in in-house patient workload. The Civilian Health and Medical Program of the Uniformed Services [CHAMPUS] has proved to be an extremely expensive way to provide health care to active duty dependents and to retirees and their dependents. The Committee is, therefore, interested in taking action to bring more dependent/retiree health care back into MTF's. Accordingly, the Committee recommends increasing funding for health care by a total of $60,000,000, to be used only for employment of additional support staff for military hospitals. The Committee directs the Office of the Assistant Secretary of Defense (Health Affairs) to monitor this program closely and to provide a report to the House and Senate Committees on Appropriations at the end of the fiscal year on the effects of increased support staff on productivity, efficiency and cost effectiveness in the military medical community.

Civilian personnel in medical programs.—The Committee understands that the Department of Defense's fiscal year 1990 budget supports 48,873 direct hire civilian personnel in health and medical care programs. In addition, 939 civilians identified in the so-called Vander Schaaf report on personnel in the unified and specified commands are being reallocated to medical activities. The Committee, therefore, directs that, during fiscal year 1990, no fewer than 49,812 direct hire civilian personnel shall be employed in military medical facilities.

In addition, the Committee directs that the Department of Defense include a display of civilians employed in medical activities in its fiscal year 1991 operation and maintenance overview.

Wage rates for health care professionals.—The Committee continues to be concerned that the Department of Defense is, in many areas, unable to offer competitive salaries for various categories of health care professionals in short supply. The Committee addressed this concern in its report on the fiscal year 1989 supplemental appropriations bill enacted in June 1989. The Committee again urges the Department to work with the Director of the Office of Personnel Management, under existing regulations, to adjust wage rates above standard civil service pay scales for health care professionals in short supply.

Reorganization of health care management.—The Committee notes with great interest the House Appropriations Committee's report language urging a complete reorganization of DOD's health care management but does not find itself in total agreement at this time. A new Assistant Secretary of Defense for Health Affairs [ASD/HA] has just been appointed, and the Committee feels that it would be unwise to institute a complete reorganization of military medicine before he has had sufficient time to analyze the needs of the Department. In disagreeing with the House, the Committee does not mean to imply that there is no room for improvement in the management of military medicine. There is. But the Committee believes that the timing is wrong.

The Committee would like to work closely with the ASD/HA over the coming year to assess changes which would make military medicine more efficient and more responsive to its client population. The Committee, therefore, directs the ASD/HA to explore and report back to the House and Senate Appropriations Committees on management initiatives which could lead to improvements. However, in working with the Assistant Secretary, the Committee would like to emphasize its belief that any effort to create a single purple suit medical department could create morale problems which would largely offset other benefits which might be gained.

CIVILIAN HEALTH AND MEDICAL PROGRAM OF THE UNIFORMED SERVICES

Alternate use of CHAMPUS funds.—In fiscal year 1989, the Congress allowed each of the Services to use up to $50,000,000 of funding designed for CHAMPUS claims for demonstration projects designed to produce more cost effective medical care. (Catchment area demonstration projects were excluded.) The Committee supports the continuation of the use of $50,000,000 per service of CHAMPUS earmarked funds to increase health care services in military treatment facilities under the same development and management guidance provided during fiscal year 1989.

Biofeedback.—The Committee was pleased that, after nearly a decade of assurances, CHAMPUS has finally included an initial biofeedback benefit. The Committee feels that this development reflects sound health care policy and directs that the benefit be expanded this year and, further, that steps be taken to ensure that each of the authorized provider disciplines is independently reimbursed.

CHAMPUS funding.—The Committee recommends appropriations for CHAMPUS and OCHAMPUS, as follows:

Army	$772,800,000
Navy	883,800,000
Air Force	755,800,000
Total	2,412,400,000
OCHAMPUS	47,037,000

CHAMPUS management initiatives.—Significant CHAMPUS problems have been identified over the past several years. These problems and the Department's ameliorative actions were discussed in detail in a recently published 1988 report on CHAMPUS Management Initiatives. The Committee encourages these reporting mechanisms as a useful way for the Department to account for the CHAMPUS program and the soundness of its management initiatives. It is useful for the Committee to have periodic information on the cost-effectiveness of military medical treatment facilities' investment and managed care initiatives, as well as the combined effect of these program operations and the Department's efforts to integrate their various features in its attempt to make the CHAMPUS program better.

The Committee supports the Department's efforts to improve the efficiency of military hospitals by appropriate investments to enhance their capabilities and reduce the reliance on CHAMPUS. However, there is concern that the projected savings, which are matched by reductions in the submitted CHAMPUS budget, may be difficult to achieve. Since each military Service now has responsibility to pay CHAMPUS claims, this Committee notifies the Department to proceed, but with appropriate assessments to monitor the cost effectiveness of those programs which are targeted to affect CHAMPUS costs and workloads.

CHAMPUS reform initiative.—The CHAMPUS reform initiative [CRI] contractor, Foundation Health Corp., has encountered major difficulties in getting CRI implemented. Foundation's financial condition continues to be precarious, and claims processing problems have plagued the initiative from the start. The General Accounting Office has stated that, in view of the problems encountered and Foundation's uncertain financial future, plans to expand CRI into other geographic areas—it now covers California and Hawaii—should be delayed until the Department of Defense can satisfy itself and the Congress, with valid documentation, that CRI is a viable and workable endeavor. The Committee agrees with this position and directs that CRI not be expanded until DOD can provide such assurance.

Despite these problems, the Committee is heartened by some of the early indicators of the CRI project that the delivery of health care services is being improved, that beneficiary satisfaction is high, and that hospital commanders are providing positive feedback. Because of the difficulties with the processing of claims and the prime contractor's management of the program, however, the Committee urges the Department to take all appropriate action to maintain the maximum contractual flexibility necessary to ensure continuity of service for the beneficiaries.

Home mental health care.—The Committee was distressed to learn that, under the CHAMPUS reform initiative, arbitrary limitations were placed on reimbursement to social workers in Hawaii, effectively precluding their ability to provide necessary mental health care in the homes of military families. The Committee understands that the original limitation is in the process of being eliminated and directs that the Department proceed in an expeditious manner to ensure that the locus of treatment shall not be a determining factor in providing necessary care. The Committee has been pleased that, under this program, all mental health doctoral level providers within the State of Hawaii are reimbursed at the same rate, regardless of professional discipline. This reflects one of the fundamental assurances given the Committee by the Department prior to the development of the CRI contract. The Committee understands, however, that this policy is not in effect within the California component of CRI. Accordingly, the Committee directs OASD[HA] to ensure that a consistent provider reimbursement policy along the lines of that in existence in Hawaii is adopted for the entire project.

Physician assistants.—The Committee directs the Office of CHAMPUS [OCHAMPUS] to continue its pilot reimbursement project with physician assistants and to provide a report to the Congress on its experiences by May 1990.

NONPHYSICIAN HEALTH CARE PROVIDERS

Administrators.—Despite assurances to the contrary given to the Committee on numerous occasions, it appears that the Services have different underlying policies regarding the selection of administrators of facilities and departments. Accordingly, the Committee reiterates its view that the most qualified individuals, regardless of professional discipline (including the medical service corps of the three services), should be appointed to administrative positions. These positions should not be limited to physicians. The Committee is pleased by the recent decision by the Navy to designate Departments of Mental Health and to assure that the most highly qualified persons will be named as administrators.

Nonphysicians in DOD health affairs.—The Committee has received several reports over the years highlighting morale problems which exist within the various nonphysician health care disciplines and feels that it is necessary for OASD[HA] to assure that the policy expertise of a range of disciplines, including optometry and psychology, are housed within its office. For example, the decision by OASD[HA] to limit the use of armed services scholarships exclusively to medicine has been viewed as denigrating the expertise of the other disciplines, as have the differential pay back requirements for clinical internships. The Committee feels that the addition of a broad range of health care expertise will go a long way toward addressing the factors underlying the nonphysician morale problems that have been endemic for many years.

Nurse anesthetists.—The Committee continues to be concerned about reports that the military services may be imposing inappropriate restrictions on the practice of certified registered nurse anesthetists [CRNA's]. Such practice restrictions have an adverse impact on CRNA morale and may result in decreased CRNA productivity and inability of the services to retain CRNA's on active duty at a time of critical shortage in the CRNA population—and at a time when CRNA's are administering between 63 percent and 85 percent of all anesthetics. Accordingly, the Committee directs the Department of Defense to advise all health-related personnel that Department of Defense policy directives 6025.11 and 6025.13 should be followed in all facilities and by all pertinent personnel.

The Committee supports the payment of bonuses to nurse anesthetists requested in the fiscal year 1990 legislative contingency request.

Nurses, nonbaccalaureate.—The Committee was surprised to learn of the recent recommendation that the services utilize nonbaccalaureate nurses on active duty. For nearly a decade, the Army has utilized the baccalaureate degree in nursing as the minimal educational level for entry into active duty status, based upon the knowledge, technology, and skill involved in modern day clinical care. The use of less skilled individuals does not recognize the extent to which health care has become more complex during the past several years. In light of the shortage of qualified military nurses, the Committee recognizes that it may be necessary to use a limited number of nonbaccalaureate nurses. However, it would be reluctant to see the quality of nursing care in military hospitals deteriorate because of a lowered quality of care. Therefore, the Committee urges the Services to access only those nonbaccalaureate degree nurses who are actively pursuing a baccalaureate degree. The Committee feels that the Services should actively seek to assure that their active duty nurses possess, at a minimum, a baccalaureate degree.

Federal nursing school.—The Committee continues to be concerned about the critical shortage of nurses available to each of the services. This is an area in which the Committee has expressed considerable interest over the past several years, and yet there does not seem to be any reasonable resolution in sight. From testimony presented to the Committee, it is clear that a crisis situation is rapidly approaching. In the Committee's judgment the time has come for the Federal Government to establish its own nursing school, similar to that currently in existence for physicians. The Committee understands that the shortage facing DOD is Governmentwide and expects that other Federal agencies, such as the Department of Veterans Affairs and the Indian Health Service, would significantly benefit from the establishment of a Federal nursing program, especially if there is a clear pay back requirement established for trainees. The Committee directs the Department to develop a feasibility/implementation study for the establishment of such a Federal nursing program and urges that the views of other relevant Federal agencies be incorporated. Further, the Committee directs that the Department report back to the House and Senate Appropriations Committees on its recommendations prior to the fiscal year 1991 budget submissions.

Optometry.—The Committee has been pleased with the results of the three services' initiatives to establish administratively separate services of optometry and directs each of the services to expand this approach to all major health care treatment centers during this fiscal year.

Psychologists/psychoactive drugs.—The Committee is genuinely distressed that the Department has ignored the directive of the conferees last year to establish a pilot project under which certain military psychologists will be trained to utilize psychoactive medications, notwithstanding many assurances to the contrary. The Committee understands the concerns of the civilian medical community; however, the Committee simply cannot tolerate the Department's refusal to follow conference directives. The Committee feels that this development represents good health policy and would be cost effective. Accordingly, the Office of the Assistant Secretary of Defense for Health Affairs [OASD[HA]] is herewith directed to make the implementation of this project program its highest priority.

Psychology postdoctoral training.—The Committee remains highly supportive of the development of postdoctoral training programs within the psychology corps and urges each of the services to increase the extent of their commitment in this area. The Committee also urges that the services continue separate departments where training programs for psychologists exist.

Public health training.—Last year, the Committee included language urging the Department to utilize the expertise of our Nation's schools of public health in encouraging officers of all disciplines who expressed an interest in pursuing administrative careers within the services. To date, however, the Committee is not aware of any actions taken by the Department in response to this recommendation. Accordingly, the Committee now directs the Department of Defense to develop a long-range plan for ensuring that those assigned to administrative positions possess sufficient public health training and expertise and to report back to the Committee prior to the fiscal year 1991 budget recommendations. Schools of public health have an impressive track record of providing quality administrative and health policy training to Federal employees, and the Committee expects DOD to utilize this national resource effectively.

Social work.—The Committee requests that the Department initiate an administratively distinct department of social work within the Air Force on a pilot basis.

PEDIATRIC CARE

Child abuse.—The Committee is concerned that there may be problems in the identification of suspected child abuse cases in the emergency rooms of military hospitals and feels that a directed effort is necessary to protect the welfare of the children of military families. To accomplish this goal, the Committee is earmarking $350,000 within the appropriation to the military family resource center under the Office of the Secretary of Defense. The Committee directs the Department to use these funds during fiscal year 1990 to conduct a pilot study on how effective emergency room providers are in identifying cases of suspected child abuse among emergency encounters.

Pediatric-emergency medical services.—Last year, the General Accounting Office conducted a review of the capability of military medical facilities to provide pediatric-emergency medical services care [EMS]. Upon careful review of this report, and after consultation with experts in pediatric-EMS, the Committee has become convinced that this area has not been given sufficient attention. Across the nation, accidents cause almost one-half of the deaths of children aged 1 to 4 and more than one-half of the deaths of those aged 5 to 14. Children are not merely little adults but require unique and specialized treatment. Accordingly, the Committee has increased the appropriation for the Office of the Secretary of Defense by $300,000 to be used only for a comprehensive review and development of a preliminary training program to improve pediatric-EMS. The Committee expects the Office of the Assistant Secretary of Defense (Health Affairs) to develop and implement an identifiable continuum of care, as well as appropriate quality assurance markers related to various aspects of pediatric-EMS care. The Committee further recommends that the Department of Defense consider developing pilot projects in conjunction with ongoing catchment area management demonstration projects. In the Committee's judgment, the Department would be well served to utilize the clinical and training expertise of the Children's National Medical Center in pursuing this initiative.

COMPOSITE HEALTH CARE SYSTEM

The Committee agrees with the House on the importance of the composite health care system [CHCS], a computerized records-keeping system for hospitals and clinics now in operation in 14 military medical treatment facilities. Accordingly, the Committee has recommended an increase of $10,000,000 to increase utilization of this system.

The Committee encourages the Department of Defense to establish a computerized record system for the maintenance of medical records of active duty military personnel, military retirees, and all military dependents.

COMPREHENSIVE HEALTH CARE MANAGEMENT

The Committee is encouraged by the Department's plan to tie together and focus recent management initiatives to better manage the peacetime health care operations. The project, the comprehensive health care management demonstration, builds on the capability of the composite health care system and the defense enrollment eligibility reporting system and enhances resource and quality control tools such as diagnosis related groups as the basis for allocation of military health resources, utilization review, uniform staffing standards, optimal coordination of benefits with private insurers, and refinement of the quality assurance program in outpatient settings. The Committee believes that enhancing existing resources and improving management in the direct care system will advance the efficiency and cost effectiveness of the military health care system as a whole.

COORDINATION OF BENEFITS

The Committee recommends an addition of $10,000,000 to the Office of the Assistant Secretary of Defense (Health Affairs) to permit amendment of fiscal intermediary [FI] contracts for CHAMPUS. These amendments would allow the FI's to collect payments from third-party payers for treatment of dependents, retirees and dependents of retirees in military medical treatment facilities [MTF's]. The Committee further recommends that moneys collected should remain with the MTF where the patients were treated. This is another initiative designed to recapture patients from CHAMPUS into direct care facilities. The Committee directs that OASD[HA] closely monitor this program. If it becomes apparent that retention of collected funds at MTF's is not having a significant effect on recapturing patients from CHAMPUS, the Committee would favor applying these funds to cover shortfalls in the Services' CHAMPUS accounts.

DEPARTMENT OF DEFENSE/VA SHARING

The Committee continues to be supportive of efforts to enhance sharing agreements between the Departments of Defense and Veterans Affairs. The Committee feels that these are especially cost-effective when local commanders are able to negotiate their respective needs and excess capacities. However, the Committee is concerned that, to date, insufficient data have been provided regarding the extent to which each of the Departments have contributed resources and expects the Department of Defense to furnish information to the Committees on Appropriations which will allow an evaluation of the program.

FORT BRAGG DEMONSTRATION PROJECT

The Committee is concerned that the Fort Bragg demonstration project is still experiencing delay in the contracting process. While the service and administrative components of the demonstration have received approval to proceed, the evaluation component is still being held up. It is critical that this high-quality and comprehensive evaluation be implemented at the same time the demonstration project is begun.

In 1987 and again in 1988, the conferees on the DOD appropriations bill directed the Department of the Army to start this important project. We have been reassured each year that the project would be funded within 3 months. The proposed evaluation is necessary to inform Congress about the success of this demonstration. We urge the Army to approve, without delay, the evaluation component as it has done with the other parts of the demonstration project.

HUMANITARIAN ASSISTANCE

The Committee has identified a need at Tripler Army Medical Center for increased patient population to enhance its residency training programs. At the same time, the populations of the Pacific territories and former Trust Territories of the Pacific Islands have unmet medical requirements. The Committee has included a provision which will allow Tripler, in fiscal year 1990, to treat no more than 250 selected patients from the Pacific territories and the former Trust Territories of the Pacific Islands on a nonreimbursable basis and has further increased the Army's medical budget by $500,000 to allow Tripler to pay transportation costs for these patients.

PEER REVIEW

The Committee remains very supportive of the Department's ongoing efforts to ensure independent civilian peer review of the care provided by military providers, as well as care provided under CHAMPUS and the CHAMPUS reform initiative. Its results have gained international notice and have yielded a valuable data base which contributes to the ongoing standardized quality assurance peer review unmatched in civilian sector programs. The Committee encourages the Department to continue to improve the data base for further quality improvement and resource implications analyses and to consider outpatient care and the mental health and substance abuse clinical areas as future areas of focus.

PHYSICIANS' QUALIFICATIONS

The Committee views with alarm the General Accounting Office's findings in a report entitled "DOD Health Care—Additional Efforts Needed to Verify Physicians' Qualifications." The Committee directs the Department of Defense to follow GAO's recommendations to focus on completing validations of the qualifications of all DOD physicians and establishing a central data base to support the credentialing system. The Committee feels that centralizing this data base is crucial and further recommends that it be expanded to include all health care disciplines which are required to be licensed.

UNIFORMED SERVICES TREATMENT FACILITIES

The Department of Defense shall not limit the locations where authorized uniformed services treatment facilities [USTF] health plan services may be provided, so long as the USTF services are furnished at less cost to the Federal Government than the Federal Government would otherwise pay under the Civilian Health and Medical Program of the Uniformed Services [CHAMPUS].

OPERATION AND MAINTENANCE, ARMY

Appropriations, 1989	$22,083,496,000
Budget estimate, 1990	23,708,600,000
House allowance	23,603,843,000
Committee recommendation	22,856,662,000

The Committee recommends an appropriation of $22,856,662,000. This is $851,938,000 below the budget estimate and $747,181,000 below the House allowance.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate are summarized in the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget estimate	23,708,600	23,708,600	
General purpose forces:			
Combat training centers		50,000	50,000
Battalion training/optempo		50,000	50,000
Panama operations		16,000	16,000
Unit level maintenance		35,000	35,000
Foreign currency savings		−67,000	−67,000
Overseas exercises		−15,000	−15,000
INF civilians	−400	−1,110	−710
Command, control, communications		−20,000	−20,000
Central supply:			
Over-ocean transportation	100,000		−100,000
Inventory management	−100,000		100,000
Inventory control points	−125,300		125,300
Passthroughs		−15,400	−15,400
DLA workload		−20,000	−20,000
Equipment fielding		−7,500	−7,500
Industrial preparedness		−71,000	−71,000
Base adjustment		−14,000	−14,000
Depot maintenance and modernization:			
Fort Polk repairs	7,000	7,000	
Fort Hood helicopter repair	44,200		−44,200
Depot maintenance backlog	150,000		−150,000
Battalion training/optempo		30,000	30,000
Asset capitalization		−59,100	−59,100
Modifications/installations		−143,700	−143,700
Unauthorized refund		−25,000	−25,000
Training and other personnel activities:			
Troop schools	−2,000		2,000
Advertising	−6,000	−7,000	−1,000
Interns		5,500	5,500
Medical programs:			
Medical support personnel		20,000	20,000
Humanitarian assistance		500	500
CHAMPUS	70,000		−70,000
Administration:			
Pentagon transfer savings		−12,400	−12,400
Claims		−8,800	−8,800
Household good claims	−2,000	−2,000	
Stock fund rates/cash	−114,000	−77,000	37,000
Excess overtime	−20,000		20,000
Physical fitness facility contracts	−2,000		2,000
ADP management	−375,976	−152,078	223,898
Maintenance support vehicles	−50,000		50,000

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
A–76 savings	−83,000	−83,000	
Command support/inspector general study	−12,000		12,000
Management review savings	−92,150	−68,700	23,450
Classified programs	−16,331	−45,800	−29,469
Civilian support structure	−83,800	−55,300	28,500
Senior executive service	−3,200		3,200
Total quality management training	−35,000		35,000
Model Installation Program	−2,800		2,800
Base operations pricing		−62,650	−62,650
Printing and reproduction		−10,400	−10,400
Teleconferencing savings		−20,000	−20,000
Realignment efficiencies		−1,000	−1,000
Unit cost/productivity		−28,600	−28,600
Environmental projects		100,000	100,000
Field feeding system		−24,800	−24,800
Real property maintenance	650,000	−47,600	−697,600
Total	23,603,843	22,856,662	−747,181

COMMITTEE ADJUSTMENTS

Panama operations.—The budget does not assume support for the increased presence of Army troops in the Republic of Panama. For the foreseeable future, the Army will need to maintain an enhanced military presence to protect U.S. interests and citizens. The Committee recommends an increase of $16,000,000 for additional operating costs, security, and transportation for increased rotation of units through the Jungle Warfare Training Center.

Combined training centers.—The Committee recommends an increase of $50,000,000 to enhance the training of Army units at combined training centers such as the National Training Center at Fort Irwin, CA. Training at these centers is one of the few places that Army combat units up to brigade level can perform maneuver training as a unit. Of the increase, $10,000,000 is for the establishment of a simulated war-fighting center at Fort Leavenworth, KS, to train division and corps commanders.

The Committee believes that long-term training costs can be reduced and training for the Guard and Reserve significantly improved by creation of a heavy equipment maintenance company [HEMCO] at Fort Irwin. The creation of this HEMCO would follow the successful initiative at Karlsruhe, West Germany. Rotating National Guard and Reserve equipment maintenance companies through a HEMCO at the National Training Center provides several advantages: (1) Guard and Reserve units would train as a full unit on the most modern equipment in the Army inventory; (2) the high operating tempo and desert environment at Fort Irwin would simulate the type of realistic wartime wear and tear on equipment; (3) the total force concept would be enhanced with Guard and Reserve support personnel interacting with active Army and National Guard combat battalions; (4) maintenance costs for the National Training Center would be significantly reduced. The Committee recommends that the Army pursue this concept.

Finally, the Committee will propose another initiative, as part of a separate Committee amendment, to reduce long-term training costs at the National Training Center. Currently, much of the cost of training Army units at the National Training Center results from transportation of unit equipment, generally by rail, to Fort Irwin. It requires approximately $4,300,000 to transport a typical brigade. While the Army has reduced training costs by maintaining tanks and armored personnel carriers at Fort Irwin, much more can be saved by maintaining trucks, wheeled vehicles and combat service support equipment for rotating units. The Committee will propose acquisition of $33,600,000 of such equipment that will decrease annual operation and maintenance costs by at least $14,000,000 per year.

Industrial preparedness.—The Army ammunition community has often complained that maintenance of inactive ammunition plants suffers because such maintenance is funded by operation and maintenance appropriations rather than ammunition procurement. They argue that maintenance of inactive plants, commonly called industrial preparedness, is not assigned high enough priority by the overall Army. The Committee assumes that the Army's ammunition budget will assume responsibility for all aspects of inactive plant maintenance and support, and, therefore, a reduction of $71,000,000 is recommended.

Unit level equipment maintenance.—Congress has often increased Army funding for depot level equipment maintenance performed by civilians or contractors, but unit level maintenance performed by soldiers has not been assisted. The Committee recommends an increase of $35,000,000 to fund transportation, supplies, tools and other operation and maintenance shortfalls in unit level equipment maintenance. This increase will allow Army units to perform more complete maintenance on equipment in the unit, so long-term maintenance problems can be averted.

Battalion training.—The budget request reduces Army armored and mechanized battalion training below fiscal year 1989 levels. This training, often called P-2 mission training or optempo, has a direct impact on the wartime readiness ratings of Army combat units. The cost of bringing Army armored battalions back to 850 combat vehicle miles per year, and mechanized battalions to 960 miles requires an increase of $80,000,000. The Committee believes that this is a worthwhile investment and approves this increase. It allows soldiers to spend time in the field training.

The Committee directs the Army that it expects optempo in fiscal year 1990 to be not less than 850 miles. The increase of $80,000,000 is to be used only for P-2 mission training and is not to be migrated for base operations, civilian pay, or other nonreadiness costs.

Recruiting and advertising.—The Army requested a total of $83,000,000 for recruit advertising. The House reduced this amount by $6,000,000. The Committee recommends a reduction of $7,000,000, or that portion of the request identified as program growth.

In the first and second quarters of fiscal year 1989, it appeared that the Army would have difficulty meeting its recruiting goals and that it would be forced to accept a large number (as many as

15 percent) of mental category IV recruits—the lowest mental category which may be recruited. At the end of July, however, the Army had missed its recruiting goal by only about 1,300—approximately 2 percent—and it projects that, by the end of the fiscal year, it will have recruited only 7 percent of mental category IV recruits.

In addition, studies done for the Department of Defense indicate that advertising in the print media is the most effective form of recruitment advertising, while television appears to be the medium of choice within the Department.

In testimony this year before the Subcommittee on Defense, a witness from the Department of Defense testified that the Department devotes between $2,200,000,000 and $2,300,000,000 yearly to recruiting and advertising programs. Of this amount, approximately $200,000,000 is for advertising.

The Committee recognizes that, with changes in demographics, that is, a shrinking pool of potential recruits in the proper age ranges and with adequate educational backgrounds, and with improvements in the economy, recruiting may continue to be difficult into the mid-1990's when the pool will again begin to increase. However, the Committee feels that, with proper management of resources, including using less expensive and apparently equally effective forms of advertising, the $76,000,000 recommended should be adequate for the coming fiscal year.

Field feeding system.—Beginning in 1985, the Army, in anticipation of the phase-in of the Army field feeding system [AFFS], began to eliminate 3,447 military cooks, mostly by attrition, by fiscal year 1994. The Army is now hiring contract civilian cooks to fill spaces in garrisons. Since the introduction of the AFFS, costs for garrison food service programs have increased 62 percent—from $222,000,000 per year in fiscal year 1985 to a projected $359,600,000 in fiscal year 1991. During this same period of time, Army active duty end strength has dropped from 780,000 in fiscal year 1985 to a requested 764,100 in fiscal year 1991.

The Army has an existing, underutilized capacity to train military cooks—approximately 3,400 more than are currently being trained. The Army has reduced the numbers of cooks to be used in the field to the point where even minor casualties among cooks in a wartime setting could severely hamper its ability to feed its troops. For example, a company-level field feeding kitchen has only one cook and a helper to feed 200 soldiers. It is doubtful that civilian contract cooks would be willing to come to the front in the event military cooks were not available.

Moreover, in an All-Volunteer Force, where retention of the most qualified soldiers is a constant problem, the Committee feels that preparation of hot food in the field is a better morale-builder than serving TV-dinner-equivalents from a steam table.

The Committee has recommended a reduction of $24,800,000 from the funds available to staff garrison dining facilities with civilian cooks.

Civilian interns.—The Army budget reduces the number of civilian interns that can be brought into the Army. Professional intern programs are designed to bring highly qualified youth into meaningful assignments in the civil service. Professional intern programs are an investment in the future and are the best way to regenerate a highly qualified work force. The Committee recommends restoring the Army's reduction in interns, and recommends an increase of $5,500,000.

Evaluation of environmental hazards at Dutch Harbor.—The Army maintained military facilities at Dutch Harbor through World War II. Debris left on site and remaining waste from that period persist in the Dutch Harbor area, potentially posing threats to local residents and the environment. The Committee requests the Army to evaluate conditions at Dutch Harbor, identify all necessary remedial actions to meet existing environmental standards, and provide an implementation schedule to accomplish these recommendations. The Secretary of the Army should submit this report not later than March 15, 1990.

Fort Polk, depot maintenance.—The Fiscal Year 1989 Supplemental Appropriations Act fully funded helicopter damage resulting from a severe storm at Fort Hood, TX, on May 13, 1989. However, funding was not included for repair of helicopters damaged at Fort Polk, LA, on June 8, 1989. Therefore, the Committee agrees with the House depot maintenance increase of $7,000,000.

Extended cold weather clothing system [ECWCS].—The Committee has continued bill language requiring either operation and maintenance, Army or the Army stock fund to procure not less than $40,000,000 of ECWCS in fiscal year 1990. This action was directed in the fiscal year 1989 Defense appropriations conference report.

Antidote injectors.—The Committee is concerned that DOD, principally the Army, has not adequately addressed requirements for atropine injections which provide antidotes needed to protect soldiers exposed to chemical warfare. The Army and the Defense Logistics Agency intentionally secured more than one manufacturer of these antidote injectors starting in 1987. However, since that time, the Army has continually reduced annual procurements, thus jeopardizing the industrial base for these necessary items.

The Committee directs that the Secretary of the Army and the Director of the Defense Logistics Agency provide a report to the Committee no later than February 1, 1990, that details by type of injector how DOD plans to fulfill its war reserve requirement for atropine injectors and maintain an adequate industrial base for these necessary items.

Corps of Engineers study.—The Committee is aware that the Corps is in the early stages of a remedial investigation/feasibility study [RI/FS] at the former Ordnance Plant near Mead, NE. The Corps has previously identified a number of potentially hazardous materials at the facility. The Committee directs that the Corps conduct a comprehensive remedial investigation, including building demolition and debris removal, specifically structures associated with load lines Nos. 1, 3, and 4.

The Committee hopes that at least a preliminary report will be available by the end of the fiscal year.

Flying hours and helicopter training.—The Committee estimates that approximately $18,000,000 in flying hours requested in the budget are excess to requirements or will not be flown because of damage to helicopters at Fort Hood, TX, and Fort Polk, LA. Accordingly, the Committee recommends that the Army use these funds for helicopter maintenance requirements necessary for aviation training at Fort Rucker, AL.

Fort Meade.—The Committee directs the Secretary of the Army to submit a report on proposed disposition of excess land at Fort Meade, MD. This report shall be submitted to the Committees on Appropriations by April 1, 1990. This report shall include the best current estimate of the cost for environmental restoration of the entire parcel of land, for unrestricted and for restricted use. This report shall also include the best current estimate of fair market value of the entire parcel of land based on the extent of restoration as well as the status of negotiations for transfer of the property to the U.S. Fish and Wildlife Service and/or transfer to the Secretary of the Navy.

Equipment fielding and sustainment.—General Accounting Office review of the Army's equipment fielding and sustainment plan indicates savings related to production delays. The Committee accordingly recommends a reduction of $7,500,000.

Air battle captain.—The Committee directs the Army to continue the air battle captain helicopter pilot training program during fiscal year 1990 at a budget level of no less than $1,000,000 to be made available from funds appropriated to the account "Operation and maintenance, Army." In addition, the Committee directs the Army to conduct a pilot program to allow University of North Dakota graduates advanced placement in Army helicopter pilot training. The Committee further directs the Army to conduct a study of the cost effectiveness of advanced placement of these trainees and to report to the Committees on Appropriations of the House and Senate no later than June 30, 1990.

Baseline adjustment for noncompliance.—In fiscal year 1989, the Congress appropriated $8,465,000 for upgrades at two inactive ammunition plants, Joliet and Badger. Not only did the Army not spend these funds for the purpose for which they were appropriated, but it further reduced the plant maintenance program by another $5,535,000. The Army then left these appropriations in its fiscal year 1989 appropriated base program to build its fiscal year 1990 program.

The Committee recommends a reduction of $14,000,000 to the fiscal year 1990 request. As was clearly stated in the Committee's fiscal year 1989 report on page 37 (the same language that raised reprogramming thresholds for operation and maintenance from $5,000,000 to $10,000,000), if the Army disagrees with specific operation and maintenance increases, it can submit rescissions or it can propose prior approval reprogrammings. But to unilaterally use such appropriations for another purpose without congressional approval, and further include these funds in an appropriated baseline in the following year's budget—is simply unacceptable.

OPERATION AND MAINTENANCE, NAVY

Appropriations, 1989	$24,852,100,000
Budget estimate, 1990	25,954,600,000
House allowance	25,748,601,000
Committee recommendation	24,106,207,000

The Committee recommends an appropriation of $24,106,207,000. This is $1,848,393,000 below the budget estimate and $1,642,394,000 below the House allowance.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate are summarized in the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget estimate	25,954,600	25,954,600	
General purpose forces:			
Steaming days/ship optempo		78,000	78,000
Flying hours		56,000	56,000
Foreign currency		−21,700	−21,700
Ship maintenance and modernization:			
U.S.S. "Enterprise" SLEP	−106,000	−106,000	
Ship maintenance and repair	186,300	190,900	4,600
Repair of U.S.S. "Iowa"		15,800	15,800
Shipyard modernization		81,000	81,000
Command, control, communications		−10,000	−10,000
Central supply and maintenance:			
Aviation depot maintenance	50,000		−50,000
Historic housing costs	−2,200		2,200
DLA workload		−20,000	−20,000
Training and other personnel activities:			
Advertising	5,000		−5,000
U.S.S. "Cabot/Dedalo"	2,000		−2,000
Medical programs:			
Direct care programs	50,000		−50,000
CHAMPUS	50,000		−50,000
Medical support personnel		20,000	20,000
Fleet hospital		−19,670	−19,670
Administration and associated activities:			
Naval audit service	−2,000		2,000
Pentagon transfer		−4,700	−4,700
Household goods claims	−2,000	−2,000	
Modifications/installations		−1,161,300	−1,161,300
ADP management	−237,307	−93,573	143,734
A–76 reviews	−36,800	−36,800	
Command management support/inspector general study	−6,000		6,000
Stock fund rates/cash	−200,000	−190,450	9,550
Navy Aviation Museum, Pensacola	2,000		−2,000
Management review savings	−100,880	−94,400	6,480
Real property maintenance	200,000	−15,000	−215,000
Classified programs	−55,812		55,812
Renovation of Navy exhibits	2,000		−2,000
Civilian support structure	−7,700	−25,900	−18,200
Total quality management training	−35,000		35,000
Model Installation Program	−800		800
Interim contractor support	−18,100		18,100
Control and accountability	−6,000		6,000
Bainbridge Training Center	15,500	15,500	
SES work-years	−2,200		2,200

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Persian Gulf operations	50,000		−50,000
SOSUS		−8,000	−8,000
Base operations pricing		−25,600	−25,600
Printing and reproduction		−4,000	−4,000
Teleconferencing savings		−10,000	−10,000
Realignment efficiencies		−16,000	−16,000
Unit cost/productivity		−98,100	−98,100
Environmental projects		9,500	9,500
Asset capitalization		−351,900	−351,900
Total	25,748,601	24,106,207	−1,642,394

COMMITTEE ADJUSTMENTS

Steaming days.—The President's budget underfunds the costs of ship depot level repairable [DLR's] spare parts. Unlike the Army and Air Force, the Navy funds these repairable spares from operation and maintenance appropriations. Without an increase of $78,000,000, the nondeployed fleet will not be able to steam at its required operating tempo of 29 days per quarter. Instead the budget funds an operating tempo closer to 22 days per quarter. Accordingly, the Committee recommends an increase of $78,000,000 to enable the nondeployed fleet to execute at its required optempo of the 29 steaming days per quarter.

Flying hours.—The President's budget underfunds the cost of maintaining enough Navy flying hours to maintain 87 percent primary mission readiness [PMR] for tactical and antisubmarine warfare aircrews. Due to drug interdiction and other taskings, fleet aircrews are currently being manned at 98 percent of unit requirements versus the 95 percent assumed in the budget. Without an increase of $56,000,000, the Navy's PMR for tactical aircrews would drop to 84 percent. Accordingly, the Committee recommends an increase of $56,000,000 to maintain aircraft readiness at fiscal year 1989 levels.

Repair of the U.S.S. Iowa.—The Committee recommends an increase of $15,800,000 for repair of the gun turret on the U.S.S. *Iowa* (BB–61). On April 19, 1989, an explosion in this turret caused the tragic deaths of 47 sailors. The Navy has completed its investigation of the accident and intends to repair the ship, however, funds are not included in the budget request.

Ship repair and maintenance.—The Committee recommends an increase of $190,900,000 to the Navy's $3,331,600,000 ship repair and maintenance budget. The recommendation fully funds 17 Atlantic Fleet and 10 Pacific Fleet short-term surface ship work packages that were deferred in the amended budget submission. In addition, $44,000,000 is included to fund expanded work packages on four Pacific Fleet ships (FF–1071, FF–1073, FF–1074, and DDG–20) that are scheduled for selected restricted availabilities during fiscal year 1990.

Ship maintenance schedules.—Both the fiscal year 1989 Senate defense appropriations report and the conference report tasked the

General Accounting Office [GAO] to provide the House and Senate Appropriations Committees with quarterly reports on the Navy ship maintenance, repair, and modernization schedules. This requirement enables the Committee to track changes in this high priority Navy program following appropriation.

The Committee is disappointed that the Navy has withheld such data from the GAO, apparently claiming that the official ship maintenance schedule had not changed. The Navy's apparent concern is that the GAO or Congress will not understand the full impact of such data, and that these reports would lead to unwarranted budget reductions.

The House and Senate Committees on Appropriations have treated the Navy's ship maintenance and repair program fairly over the years. Appropriations have been reduced when requirements fell below budgeted levels and have been increased when requirements were not adequately met, as is the case in this fiscal year. The schedule and funding profile for ship repair and modernization consistently has been an area of high interest for the Congress and the public and the GAO was tasked to perform this review as a service to the Congress.

The Navy's attempts to withhold such information from GAO, no matter how well intended, cannot be tolerated within a budget process that assumes the Congress and public have access to information upon which to make informed judgments. Therefore, the Committee directs that such quarterly ship repair and modernization schedule reports be provided directly to the House and Senate Appropriations Committees beginning with the completion of the first quarter of fiscal year 1990.

Shipyard modernization.—The Committee fully supports the House report language regarding the importance of Navy shipyards and maintenance of skilled manpower, equipment, and facilities to meet the Navy's ship maintenance and repair requirements through the 1990's. The Committee notes that Navy shipyards are one of the few departmental depot maintenance activities that can demonstrate tangible productivity efforts. In fiscal year 1990, Navy shipyards will reduce 7,000 end strength, mainly in overhead functions.

The Committee does not take issue with the Navy's efforts to make shipyards more productive by bringing administrative and production overhead more in line with direct labor. However, the Committee believes it is important to provide shipyards with the tools to enable them to meet the ever-changing requirements of repairing combat systems, propulsion systems, mechanical and electrical components of modern Naval surface ships and submarines. Accordingly, the Committee recommends a one-time appropriation of $81,000,000 for transfer into the Navy industrial fund for the modernization and upgrade of Navy shipyards. This funding is to be used for the acquisition of equipment (such as cranes), machine tools, docks, and other facilities necessary to modernize and improve Navy shipyards. Bill language is included that enables the Navy 3 years for obligation following transfer into the Navy industrial fund.

Certification of private shipyards.—The House report states that ship repair firms that do not have access to non-Navy drydocks and piers may not be eligible for Navy ship repair and alteration contracts. The Committee opposes this House position.

The House language is antismall business and anticompetition. In the case of a port like San Diego, it would restrict all Navy ship repair to one-half the firms that now bid on Navy ship repair contracts. The firms that would be prohibited from bidding are all small businesses. Further, the House language would technically prevent any ship repair from being performed by a small business, even the repair of a shipboard generator.

U.S.S. Enterprise service life extension.—The budget requests $129,100,000 ($106,000,000 in operation and maintenance, Navy) in fiscal year 1990 for the refueling of the Navy's first nuclear aircraft carrier, the U.S.S. *Enterprise* (CVN 65).

The Navy already has received appropriations totaling $463,200,000 in past years for advance planning and procurement of reactor cores and materials. Beginning in fiscal year 1990, the Navy plans to bring the ship into the Newport News Shipyard to perform nuclear refueling of eight reactors, and upgrade communications, combat, navigation, propulsion, elevator, and catapult systems and make habitability improvements for the crew. The Navy has labeled this project an overhaul and has incrementally funded $129,100,000 in 1990 and $866,900,000 in 1991, principally in operation and maintenance, Navy. The Navy intends to request additional funds after fiscal year 1991. Thus, the complete cost of the *Enterprise* refueling and modification is approximately $1,885,300,000 and will require the ship to be off-line for 44 months. These modifications will result in a modernized U.S.S. *Enterprise* with an additional service life of 20 years. The Committee believes that the refueling and modification of the U.S.S. *Enterprise* should be considered a service life extension program [SLEP].

The Committee has deleted the fiscal year 1990 "Operation and maintenance, Navy," "Weapons procurement, Navy," and "Other procurement, Navy" accounts funding request totaling $129,100,000 and recommends funding the full fiscal year 1990 cost of this service life extension program in shipbuilding and conversion, Navy. In keeping with the long accepted full funding policy, which requires the full cost of shipbuilding projects to be clearly identified and funded in one fiscal year, the Committee will propose appropriation of the additional costs in a separate Committee amendment. This additional $1,293,000,000 will fully fund the remainder of the U.S.S. *Enterprise* SLEP.

Lanark Fleet Hospital.—The budget requests military construction funds for a new fleet hospital at Lanark, Scotland in the United Kingdom. Both the House and Senate Military Construction Appropriations Committees have deleted funds for this construction project. Therefore, the Committee recommends a reduction of $19,670,000 for operation and maintenance funds requested to create this facility.

Bainbridge Naval Training Center.—The Committee fully supports the House report language regarding environmental restoration of the former Naval Training Center at Bainbridge, MD. The Committee recognizes that the State of Maryland and the Navy have reached agreement on the scope and standards of remediation activities required by Public Law 99-596. It is the Committee's intent that underground tanks and buildings contaminated with hazardous materials be abated in an expeditious manner that is in accordance with Federal and State environmental laws and regulations. The Committee directs that the Navy fund to Bainbridge within the $25,000,000 increase allocated by the environmental initiative described earlier in this report. The Department of Defense, through the Office of the Deputy Assistant Secretary of Defense for Environment is expected to assist the Navy with the Bainbridge restoration.

Antarctic support.—The Committee does not agree to House bill language that requires the Navy to absorb the costs of the National Science Foundation's Antarctic logistic support. Since 1972, the President has requested funds for this support in the National Science Foundation budget, as is the case in the fiscal year 1990 request. The Navy (through the Air Force Military Airlift Command) provides airlift support, as well as sealift, runway clearing, fuel, and other base support services in support of scientists working under NSF research grants.

Nuclear submarine dismantling.—The Committee is concerned about the number of nuclear submarines scheduled to be decommissioned in the next several years. These submarines, if not disposed of properly, could pose threats to the environment and national security. Additionally, the costs associated with storage or disposal of these surplus vessels could divert money away from other Navy programs.

It is the understanding of the Committee that the Navy is exploring three options for the disposal of nuclear submarines once the reactor compartments are removed. These options are said to include: Storage of the hulls in the inactive fleet at a naval base, burial at sea, and dismantling of the hulls in a shipyard. In view of the sensitivity and complexity of any disposal action, the Committee believes that there are many questions that need to be resolved.

Therefore, the Committee directs the Navy to give a detailed report of its plans to dispose of the nonnuclear hulls of submarines. This report shall include, but not be limited to, the following issues: (1) The number of submarines to be decommissioned in the next 10 years; (2) the annual cost of each of the three options listed above; (3) environmental considerations for each option; and (4) treaties that may be impacted by the schedule and methods of disposal.

LEASAT.—The Committee has included bill language at the Navy's request that allows the service to exercise its options in fiscal year 1990 for LEASAT services.

OPERATION AND MAINTENANCE, MARINE CORPS

Appropriations, 1989	$1,817,000,000
Budget estimate, 1990	1,716,300,000
House allowance	1,855,300,000
Committee recommendation	1,640,419,000

The Committee recommends an appropriation of $1,640,419,000. This is $75,881,000 below the budget estimate and $214,881,000 below the House allowance.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate are summarized in the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	1,716,300	1,716,300	
Advertising	3,000		−3,000
Civilian manpower	−2,400	−8,031	−5,631
Real property maintenance	50,000	−5,800	−55,800
A-76 savings	−11,500	−11,500	
Readiness initiatives	100,000		−100,000
Model Installation Program	−100		100
MPS exercise growth		−500	−500
Modification/installations		−5,900	−5,900
Stock fund rates/cash		−2,600	−2,600
Base operations pricing		−6,750	−6,750
Printing and reproduction		−1,800	−1,800
Asset capitalization		−3,400	−3,400
Management review savings		−2,900	−2,900
Overseas exercises		−500	−500
Teleconferencing savings		−10,000	−10,000
Unit cost/productivity		−1,200	−1,200
Foreign currency		−15,000	−15,000
Total	1,855,300	1,640,419	−214,881

COMMITTEE ADJUSTMENTS

MPS exercises.—The budget proposes to increase the number of exercises scheduled for Marine Corps maritime prepositioned ships [MPS] by two above the 1989 level and four exercises above the 1988 level. Considering that no MPS ships have been added to MPS squadrons since fiscal year 1987 and that these squadrons were fully operational at that time, these increased exercise schedules are not well justified. The Committee recommends a reduction of four minor exercises in 1990 and recommends a reduction of $500,000.

Civilian increases.—The budget restores $8,031,000 for work-years reduced in fiscal year 1989 based on underexecution. The Marine Corps has not identified a requirement nor provided justification to restore these positions. Accordingly a reduction of $8,031,000 is recommended.

OPERATION AND MAINTENANCE, AIR FORCE

Appropriations, 1989	$21,721,673,000
Budget estimate, 1990	22,812,200,000
House allowance	22,708,743,000
Committee recommendation	21,986,987,000

The Committee recommends an appropriation of $21,986,987,000. This is $825,213,000 below the budget estimate and $721,756,000 below the House allowance.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate are summarized in the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget estimate	22,812,200	22,812,200	
Strategic forces:			
B-1 flying hours	−5,078		5,078
B-52G force structure		−29,500	−29,500
B-2 O&M increases		−42,300	−42,300
KC-135 flying hours		30,700	30,700
SR-71	100,000	179,107	79,107
General purpose forces:			
Flying hour costs		60,000	60,000
AF hurricane planes		4,200	4,200
Hurricane reconnaissance offset		−7,400	−7,400
AF weather global		−25,000	−25,000
INF civilians	−112	−16,680	−16,568
Foreign currency savings		−41,800	−41,800
EDS/PDS		−10,000	−10,000
NATO infrastructure		−12,500	−12,500
Command, control, communications		−20,000	−20,000
Central supply:			
DLA workload		−20,000	−20,000
Second destination transportation	20,000		−20,000
Invalid backorders	−23,680		23,680
Unliquidated obligations	−47,333		47,333
Passthroughs		−56,700	−56,700
Headquarters increases		−26,490	−26,490
Depot maintenance and modernization:			
Modification/installations		−245,300	−245,300
Asset capitalization		−75,000	−75,000
Depot maintenance backlog	150,000		−150,000
Unauthorized refund		−25,000	−25,000
Training and other personnel activities:			
Training/JCS exercises		−5,000	−5,000
Advertising	2,000		−2,000
Medical programs:			
Medical support personnel		20,000	20,000
CHAMPUS	90,000		−90,000
Administration:			
Pentagon transfer		−9,000	−9,000
Household goods claims	−2,000	−2,000	
Civil Air Patrol	1,900	700	−1,200
Stock fund rates/cash	−156,000	−112,200	43,800
ADP management	−91,050	−56,700	34,350
A-76 savings	−24,000	−24,000	
Command support/inspector general study	−6,000		6,000
Management review savings	−88,680	−94,400	−5,720
Classified programs	−53,824	−1,300	52,524
Civilian support structure	−38,000	−20,300	17,700
Senior executive service	−200		200
Total quality management training	−27,000		27,000
Model Installation Program	−3,400		3,400
Current news transfer to AFIS	−1,000		1,000
Base operations pricing		−22,750	−22,750
Printing and reproduction		−5,100	−5,100
Teleconferencing savings		−15,000	−15,000
Realignment efficiencies		−9,000	−9,000
Unit cost/productivity		−65,500	−65,500
Environmental projects		75,000	75,000

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Real property maintenance	100,000	−55,000	−155,000
Annualized increases		−44,000	−44,000
Total	22,709,743	21,986,987	−721,756

COMMITTEE ADJUSTMENTS

SR–71 restoration.—The Committee recommends an appropriation of $211,239,000 for the SR–71 strategic reconnaissance program and directs that this amount be transferred immediately upon enactment of the Committee bill in accordance with guidance contained in the classified annex to this report. This funding level is $179,107,000 above the budget request and $79,107,000 above the House.

The Committee believes strongly that the SR–71 reconnaissance program must be maintained, and has included bill language to implement this policy. The Committee does not, however, agree with the House allowance that placed responsibility for maintaining the program with the Air National Guard.

The importance of the SR–71 and the rationale for Committee action are explained more fully in the classified annex to this report.

KC–135 flying hours.—The budget provides 16 flying hours per month for Strategic Air Command [SAC] KC–135 tanker crews. The current SAC commander has identified a requirement for 19 hours per month per crew. The Committee recommends an increase of $30,700,000 to fund the additional fuel, consumables and depot maintenance to maintain this increased operating tempo. The Committee directs that $3,000,000 of this increase be transferred to the Air National Guard to provide enhanced training to these reserve component KC–135 crews.

Air Force flying hour shortfalls.—Following submission of the budget, the Air Force discovered that it had incorrectly priced the cost of its flying hours. The budget finances operation of tactical Air Force squadrons at only 18.4 flying hours per crew per month. Accordingly, the Committee recommends an increase of $60,000,000 to maintain Air Force tactical aircrew readiness and training at 19.5 flying hours per crew per month.

Hurricane reconnaissance/weather service funding.—In contradiction to congressional direction each year since fiscal year 1987, the Air Force's fiscal year 1990 budget proposes to discontinue hurricane and severe weather reconnaissance. Severe weather reconnaissance on the gulf coast, Southeast, and Pacific is currently performed by one active duty squadron of WC–130 aircraft, the 53d, and one Air Force Reserve squadron of WC–130 aircraft, the 815th. It should be noted that the Congress funded the modernization and upgrade of these WC–130 aircraft to enable the National Hurricane Center in Miami, FL, to obtain real time measurements of hurricane wind speed and direction. The budget estimates savings from this deactivation of $7,400,000 in several appropriation accounts.

The Committee fails to understand the Air Force's belief that severe weather reconnaissance is not an appropriate national security mission. Severe weather events such as the damage of Army helicopters at Fort Hood, TX, demonstrate why the detection and monitoring of severe weather is both a Department of Defense and national priority. Further, a review of the fiscal year 1989 annual report on Federal weather programs by the Federal Coordinator for Meteorological Services and Supporting Research notes that the largest weather service in the U.S. Government is not the National Weather Service in the Department of Commerce, but rather the U.S. Air Force. If weather reconnaissance is not an appropriate defense mission, the Federal meteorological budget must be reallocated.

Fortunately, the Deputy Secretary of Defense has indicated that the budget made a mistake, and he has indicated that fiscal year 1990 funding requirements will be absorbed. However, the Department of Defense has not identified offsets, and the Air Force has continued with efforts to terminate the weather reconnaissance squadrons in 1991.

The Committee has included bill language to continue operations of the active duty and reserve weather reconnaissance squadrons located at Keesler AFB, MS. The Committee also has included increases of $4,200,000 in operation and maintenance, Air Force, $3,200,000 in operation and maintenance, Air Force Reserve, and $2,300,000 in reserve personnel, Air Force to fund necessary flying hours, base operations, maintenance and technicians and reservists.

In past years when the Congress restored these units, the Air Force claimed that it was being made to retain force structure without commensurate adjustments. To ensure that offsets are made, the Committee recommends two adjustments. First, the augmentation of tactical airlift units at Yokota AFB, Japan, is disapproved. These four C-130 aircraft should be deactivated and placed as backup inventory aircraft for units in the continental United States. Second, other weather and observing programs of the Air Force Weather Service should be curtailed by $25,000,000. This will bring the Air Force Weather Service operational budget slightly below the current budget for the National Weather Service, and it will better set priorities within Air Force meteorological programs.

Acquisition command headquarters increases.—The budget proposes increases in contractor studies, staffing and automatic data processing for the headquarters of the very commands that the Secretary's management review likely will reduce—the Air Force Systems Command, Logistics Command and Plant Representative Offices [AFPRO's]. Such headquarters increases are inconsistent with the spirit and intent of the management review. The Committee disapproves these increases and reduces funding by $26,490,000.

Civil Air Patrol.—The Committee recommends an increase of $700,000 to the Air Force's $1,200,000 request for Civil Air Patrol support. This increase is to be used for depot maintenance and civilian uniforms. (An additional $1,000,000 is funded in drug interdiction, defense.)

B-2 operation and maintenance.—The amended Air Force budget increases operation and maintenance funding for the B-2 bomber by $42,300,000 above the original Reagan request. These increases are of questionable merit given program delays. The Committee believes that funding $110,000,000 for B-2 operation and maintenance costs is sufficient.

Video system.—The Committee expects the Air Force to make available morale, welfare, and recreation [MWR] funds, upon request of the appropriate command, for the installation of satellite and cable video information and entertainment systems at remote, unaccompanied assignment installations in the United States.

Installation and operation of a single, uniform system should provide both financial and utilization benefits at remote locations with no other television alternatives. Such systems will also support base information and educational programming. The Committee understands sufficient funds are available from within resources made available for command MWR activities.

Renovation claims.—The Committee is disturbed by the Air Force's failure to negotiate in good faith on the claims of the Shipco General, Inc., for damages resulting from the Air Force's termination for convenience of that company's contract to renovate housing at Kirtland Air Force Base. Therefore, the Committee directs that $29,000,000 of operation and maintenance funds made available to the Air Force for fiscal year 1990 shall not be obligated or expended until 30 days after the Secretary of the Air Force reports to the Senate and House Committees on Appropriations that a mutually satisfactory resolution has been reached in the case of Shipco General, Inc.

One-time increases.—In fiscal year 1989, Congress added $69,000,000 in one-time increases for emergency repair of hurricane damage at Kelly Air Force Base, claims and medical programs. The Air Force allocated these increases to all accounts and then annualized them in the baseline for building the 1990 program. The Committee recommendation allows $25,000,000 allocated to medical programs to be retained. But the annualization of the remaining $44,000,000 in one-time increases, especially emergency repairs for storm damage, is not approved.

USAFE/MAC minor construction.—U.S. Air Forces Europe and Military Airlift Command minor construction projects are eligible for NATO Infrastructure Program funding. Under this program, the United States only has to bear 28 percent of the cost of a project, versus 100 percent under normal funding. The Air Force should be seeking financing for bases in Europe through NATO infrastructure funds whenever practicable rather than requesting all funding from U.S. taxpayers. A reduction of $12,500,000 is recommended.

B-52G force structure.—The Strategic Air Command is unable to set force structure and weapons system priorities. When faced with choices, its budget responds by financing everything. The Strategic Air Command wants: MX rail garrison, the small intercontinental ballistic missile [ICBM] or Midgetman and Minutemen II and III ICBM's based in silos. It wants: B-2, B-1, and B-52 strategic bombers. When aged B-52G's are available for retirement based on this modernization, it proposes to convert them into conventional bombers.

The Committee believes that some Strategic Air Command force structure must be reduced to afford the ambitious Strategic Air Command modernization program. Accordingly, the Committee recommendation reduces one conventional B-52G squadron. This action saves $47,000,000: $29,500,000 in operation and maintenance, Air Force and $17,500,000 in military personnel, Air Force.

Pacific and European distribution systems.—The Department of Defense often suggests that Congress makes too many general and nonprogram specific reductions. It is argued that if Congress is going to reduce funding, it should clearly identify which mission or program should not be performed. The proposed Pacific distribution system is one such program that clearly need not be maintained.

In fiscal year 1988, both the House and Senate Appropriations Committees questioned the requirement to create a Pacific distribution system based in Japan and operated with C-12 aircraft. This position followed the Committee's continued questioning of the requirement to maintain a European distribution system.

The General Accounting Office recently published two reports (NSIAD 89-81/135), not requested by this Committee, that were highly critical of both the Pacific and European distribution systems [EDS]. In the case of the Pacific distribution system [PDS], the GAO analysis recommended against the operation of a peacetime PDS and it questioned the requirement for a wartime system. The GAO research even demonstrated that PDS C-12 aircraft were departing for Pacific Air Force bases at the same time as regular Military Airlift Command flights.

In the case of the European distribution system, the GAO stated that the program:

> * * * has had little effect on the delivery of critical parts * * * after 3 years of operations the EDS aircraft still were experiencing limited use of their allowable cabin load capacity, and about two-thirds of the EDS cargo was nonmission essential. As a result of the low use, the cost per pound for cargo moved on EDS aircraft is many times more than the cost per pound of other Military Airlift Command service in Europe.

The Committee believes that in light of an ever tightening Defense budget and the maintenance of an active Military Airlift Command, the Secretary of Defense should reexamine the requirement for maintaining the EDS when developing the fiscal year 1991 budget. The Committee recommends a reduction of $10,000,000 resulting from the Department adopting GAO's recommendations for the European distribution system and from terminating the Pacific distribution system.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

Appropriations, 1989	$7,635,973,000
Budget estimate, 1990	8,021,600,000
House allowance	7,829,137,000
Committee recommendation	7,879,444,000

The Committee recommends an appropriation of $7,879,444,000. This is $142,156,000 below the budget estimate and $50,307,000 above the House allowance.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate are summarized in the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	8,021,600	8,021,600	
Defense Logistics Agency:			
ADP	−20,000		20,000
Supply operations shortfalls		60,000	60,000
Management support activities		−16,800	−16,800
Stock fund rates/cash		−60,000	−60,000
Stockpile financing		−32,000	−32,000
Defense Communications Agency:			
JTC3A	10,000		−10,000
Productivity		−4,400	−4,400
Office of the Secretary of Defense: Pediatric emergency study		300	300
Washington headquarters services:			
ADP	−10,000	−10,000	
Program growth	−1,500		1,500
DOD dependents education	5,500		−5,500
Defense Legal Services Agency	−500		500
Defense Medical Support Agency	10,000	10,000	
Defense Technical Security Agency:			
Manpower growth	−1,000		1,000
Travel		−116	−116
Office of Econ. Adjustment/Military Family Resource Center [MFRC]	−4,600		4,600
Defense Investigative Service: Travel		−752	−752
The joint staff:			
CINC initiatives		100,000	100,000
Travel		−214	−214
Overseas exercises		−10,000	−10,000
Defense Contract Administration Agency: Travel		−2,520	−2,520
Armed Forces Info. Service: Travel		−98	−98
CHAMPUS	−500		500
Joint recruiting/advertising [JRAP]	−10,000		10,000
University of Health Services [USUHS]	−500		500
Impact aid	10,000		−10,000
Senior executive service	−4,400		4,400
Model Installations Program	−1,800		1,800
Total quality management [TQM]	−3,000		3,000
Civilian support structure	−1,100	−18,956	−17,856
Management review savings	−31,190	−25,700	5,490
Classified programs	−132,873	−59,500	73,373
A–76 savings	−5,000	−5,000	
Medical claims		10,000	10,000
Command, control, communications		−10,000	−10,000
Pentagon transfer		−12,800	−12,800
Asset capitalization		−29,900	−29,900
Real property maintenance		−9,000	−9,000

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Teleconferencing savings		−5,000	−5,000
Foreign currency		−9,700	−9,700
Total	7,829,137	7,879,444	50,307

COMMITTEE ADJUSTMENTS

CINC initiatives fund.—The Goldwater-Nichols Defense Reorganization Act of 1986 provided new programming and budgeting responsibilities to the various regional and functional Commanders in Chief commonly referred to as CINC's. In recognition of this new role, the Committee held hearings this year with the CINC's for: The U.S. European Command, Pacific Command, Atlantic Command, U.S. Force Korea, Central Command, Southern Command, Transportation Command, and the Special Operations Command.

The Committee believes that funding should be available to meet high priority readiness and sustainability needs of the various CINC's. It proposes, therefore, an appropriation of $100,000,000 to create a CINC initiative fund to be under the direct supervision of the Chairman of the Joint Chiefs of Staff.

This fund should be managed competitively by the Chairman of the JCS based on specific CINC proposals. It should not simply be allocated on a proportionate or formula basis. Allowable projects should be those that improve the warfighting capability of forces under the CINC commands, such as flying and steaming hours, transportation, war reserve stocks, and procurement of spares and ammunition (subject to appropriate reprogramming). It should not be used to simply augment normal service operation and maintenance funds for such costs as real property maintenance, foreign currency variations, and foreign national pay.

The Committee expects the Chairman to report to the House and Senate Committees on Appropriations and Armed Services on the use and allocation of these funds by January 15, 1990. From the testimony provided, the Committee is certain there are already more than adequate projects awaiting funding.

DCA productivity.—The Defense Communications Agency, unlike other defense agencies, has done little to reduce labor costs through productivity initiatives. As a result, civilian labor costs at DCA have increased by 20 percent since 1987. The Committee assumes that DCA can do a better job and has decreased its operation and maintenance costs by $4,400,000 assuming a 5-percent gain in productivity.

Management support agencies.—Since 1977, Congress has repeatedly questioned the size of Defense headquarters and has legislated reductions, such as those included in the Goldwater-Nichols Defense Reorganization Act. The Defense Department has repeatedly responded to such actions by implementing reductions. Yet, with further review, the Department of Defense seems to be hiding staff increases. For example, if one counts all the components that functionally made up the Office of the Secretary of Defense [OSD] in 1977—Washington Headquarters Services, OSD field agencies, OSD itself, and management support agencies—OSD would now total 4,334 end strength. This represents almost a doubling in size during the last decade.

Some of this growth, no doubt, was created due to increased legislative requirements, such as those pertaining to special operations forces or environmental laws. However, the creation of management support agencies hidden within the Defense Logistics Agency budget, are simply extensions of the OSD staff that are not justified.

The Committee understands that the Department of Defense Inspector General will soon release a report that seriously questions the requirement for management support agencies. The Committee has included a reduction of $16,800,000, its estimate of the savings that can be derived by the elimination of these management support agencies, other than the Defense Manpower Data Center. The Committee trusts that the Secretary will review the requirement for such activities as part of his proposed management review. Regardless, the Department of Defense should budget for such extensions of the OSD staff within the OSD budget.

Travel requirements.—The Committee recommends a reduction of $3,700,000 for excessive growth in the travel budgets of several defense agencies. The recommendation reduces travel growth to 5 percent over fiscal year 1989 levels.

Stockpile operating expenses.—In 1988, responsibility for managing the national defense stockpile fund was transferred from the General Services Administration [GSA] to the Defense Logistics Agency [DLA].

The stockpile fund currently maintains a cash balance of $731,000,000 and can easily accommodate the $32,000,000 of annual operational expenses associated with management and operation. The Committee's recommendation provides for the Department of Defense to finance operations with this cash balance. This change will have no effect on the procurement and disposal of stocks held in the fund.

DLA supply operations.—The Defense Logistics Agency [DLA] manages common stocks or stocks that the services have elected to transfer to the agency for management. During the past 3 years, the services have shifted workload (67,000 stock items) to the agency without a commensurate shift in budgetary resources. The result is that DLA's budget request is $60,000,000 below the level needed to maintain current supply operations. The Committee, therefore, recommends an increase of $60,000,000 for DLA supply S&E (salaries and expenses) and a commensurate reduction in the service operation and maintenance budgets.

Office of Economic Adjustment operations.—The House Armed Services Committee proposed transferring funding responsibility for the Office of Economic Adjustment to the military construction appropriations bill.

The Office of Economic Adjustment provides community impact technical assistance, planning assistance, and grants to communities affected by defense installation realignments and contract reductions. It also manages funding for the Military Family Resource

Center. These are all operational costs that appropriately belong in the Department of Defense appropriations act, not the military construction appropriations act.

Defense directorate for information and reports.—As evidenced in past reports and hearing records, the Committee appreciates the value of maintaining data on the location of defense personnel and expenditures. The Committee is concerned that these data be: (1) Accurate; (2) safely maintained; and (3) accessible to the Congress and public. While these goals should be shared by the Department of Defense, they sometimes are not. The management of these data by the Directorate for Information and Reports, Washington Headquarters Services, is inadequate. If not addressed soon by the Secretary of Defense, this data base could be lost for the public, historians, and the Department's own analytical analysis.

Accuracy.—On several occasions DIOR reports have contained inaccurate data. The organization makes little effort to audit data submitted by the services, or to see if the data agrees with official Department of Defense budget data. For example, the 1990 Defense budget states that 1989 Department of Defense expenditures in the Federal Republic of Germany will be $14,579,800,000 for operation and maintenance, military personnel, and current costs. The DIOR's Atlas/Data Abstract for the United States and selected areas indicates that 1988 expenditures were $8,354,500,000 in West Germany. An increase of this magnitude simply is not plausible.

Three years ago, DIOR's "Worldwide Manpower Distribution By Geographical Area" report indicated that defense civilian employment in West Germany had increased by 52 percent, or 17,447. It required a General Accounting Office audit commissioned by this Committee to discover that the increase had been only 33 percent because over 5,000 Army employees residing in Georgia were reported as residing in Germany. While the Army supplied the data, no effort was made to ensure accuracy.

Data security.—The Committee is concerned with the security with which DIOR maintains historical data. For example, historical worldwide manpower data files are contained on microfiche in a file drawer in Crystal City, VA. Many of the files are missing and many are mislabeled. A mishap could destroy the Department's entire historical data base.

Accessibility.—DIOR's mission is to provide statistics on manpower, prime contracts, expenditures by location, logistics, and health care. DIOR receives appropriations to ensure that such information is available for the public and Congress, as well as Department of Defense components. This mission is not, however, appreciated by DIOR's management and personnel. The organization's management often refuses to provide specific, timely information to requestors.

The Committee believes significant improvement is needed in the DIOR. The Secretary should explore changing the organization's location within the OSD. Regardless, if no other change is made, the Secretary is requested to take action to ensure that historical files are accurately cataloged and are secure.

INSPECTOR GENERAL

Appropriations, 1989	
Budget estimate, 1990	$95,800,000
House allowance	
Committee recommendation	95,800,000

The Committee recommends an appropriation of $95,800,000. This is consistent with the budget estimate and but differs with the approach contained in the House allowance. The House proposed funding the inspector general in a new title of the appropriations bill. The House allowance provides $95,749,000 for operation and maintenance and $1,051,000 for procurement in title VII of the House bill. The Committee fully supports the activities of the Department of Defense inspector general. However, the Committee does not believe the inspector general is sufficiently different from other defense agency activities to warrant the creation of a separate title.

OPERATION AND MAINTENANCE, ARMY RESERVE

Appropriations, 1989	$794,900,000
Budget estimate, 1990	861,900,000
House allowance	863,100,000
Committee recommendation	861,900,000

The Committee recommends an appropriation of $861,900,000. This is the same as the budget estimate and $1,200,000 below the House allowance.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate are summarized in the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	861,900	861,900	
Force structure	1,200		−1,200
Total	863,100	861,900	−1,200

OPERATION AND MAINTENANCE, NAVY RESERVE

Appropriations, 1989	$979,200,000
Budget estimate, 1990	980,000,000
House allowance	1,002,400,000
Committee recommendation	895,200,000

The Committee recommends an appropriation of $895,200,000. This is $84,800,000 below the budget estimate and $107,200,000 below the House allowance.

SUMMARY OF COMMITTEE ADJUSTMENTS

Committee adjustments to the budget estimate are summarized in the following table:

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	980,000	980,000	
Mission forces	6,200		−6,200
Force structure	16,200		−16,200
Modification/installations		−84,800	−84,800
Total	1,002,400	895,200	−107,200

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

Appropriations, 1989	$77,500,000
Budget estimate, 1990	77,400,000
House allowance	77,400,000
Committee recommendation	77,400,000

The Committee recommends an appropriation of $77,400,000. This is the same as the budget estimate and the House allowance.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

Appropriations, 1989	$1,033,900,000
Budget estimate, 1990	1,004,600,000
House allowance	1,010,487,000
Committee recommendation	981,900,000

The Committee recommends an appropriation of $981,900,000. This is $22,700,000 below the budget estimate and $28,587,000 below the House allowance.

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	1,004,600	1,004,600	
Modification/installations		−31,787	−31,787
Force structure	5,887	5,887	
AF hurricane planes		3,200	
Total	1,010,487	981,900	−28,587

COMMITTEE ADJUSTMENTS

Force structure.—The Committee concurs with the House reinstatement of four Air Force Reserve combat squadrons. This increase funds operational support and 259 civilian technicians.

Hurricane reconnaissance.—The Committee recommends an increase of $3,200,000 for operational support and 180 civilian technicians needed to continue the 815th Weather Reconnaissance Squadron. This issue is discussed more fully in the operation and maintenance, Air Force section of this report.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

Appropriations, 1989	$1,801,200,000
Budget estimate, 1990	1,870,200,000
House allowance	1,867,100,000
Committee recommendation	1,870,200,000

The Committee recommends an appropriation of $1,870,200,000. This is the same as the budget estimate and $3,100,000 above the House allowance.

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	1,870,200	1,870,200	
General reduction	−3,100		3,100
Total	1,867,100	1,870,200	3,100

Reserve Training Center.—The Secretary of the Army, in conjunction with the National Guard Bureau and acting through the Chief of Engineers, shall prepare an environmental impact statement to determine the impact of the Reserve Component Training Center on the Win Wan-Gabbs Valley and the Pilot Peak-Monte Cristo Range areas. The study shall address environmental, cultural, sociological, and economic impacts; and identify the benefits, impacts, and results of the alternatives considered. A draft report shall be submitted to the Committee not later than June 1, 1991. A final report is due January 31, 1992.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Appropriations, 1989	$1,971,000,000
Budget estimate, 1990	2,041,200,000
House allowance	2,054,093,000
Committee recommendation	1,988,400,000

The Committee recommends an appropriation of $1,988,400,000. This is $52,800,000 below the budget estimate and $65,693,000 below the House allowance.

[In thousands of dollars]

Program	House adjustments	Committee adjustments	Committee compared with House
Fiscal year 1990 budget request	2,041,200	2,041,200	
Modification/installations		−66,993	−66,993
Force structure restoration	12,893	14,193	1,300
Total	2,054,093	1,988,400	−65,693

Force structure.—The Committee recommends an increase of $14,193,000 to restore funding for seven Air National Guard combat squadrons and one radar warning group. This recommendation will provide funding for operational support, such as flying hours and base operations, and pay and allowances for 92 Guard civilian technicians. Of the Committee recommended increase, $1,300,000 is specifically for 28 Guard civilian technicians, operational support, and minor construction to retain the 150th Air Warning Radar Group, Hawaii, and to allow this Air National Guard unit to be converted to a forward air control post.

F-15 squadrons.—The Committee concurs with House report language regarding the basing of F-15 aircraft.

C-130 Simulator Training Facility.—The fiscal year 1989 appropriations act directed the National Guard Bureau to establish two facilities to train reserve component C-130 pilots. The act directed that one facility be established east of the Mississippi River and one be established west of the river. The National Guard Bureau selected Minneapolis-St. Paul as the location for the western region training center. While the Committee supports the concept of a single training facility in the western region, the Committee wants to insure that full attention was given to the criteria for selecting the location. The Committee directs the Director of the Air National Guard to report, not later than 45 days after enactment of this act, on the criteria established for location selection and basis for the final selection.

McChord Air Force Base.—The Committee understands that the deactivation of the 318th Air Defense Squadron at McChord Air Force Base creates the opportunity to utilize McChord to support close air support missions in particular those associated with joint training exercises with units at Fort Lewis, WA, and at the Yakima Firing Center. The Committee encourages the Air Force and the Air National Guard to examine the potential for creating an Air National Guard Close Air Support Squadron at McChord for this purpose at the earliest opportunity.

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE

Appropriations, 1989	$4,300,000
Budget estimate, 1990	4,700,000
House allowance	4,700,000
Committee recommendation	4,700,000

The Committee recommends an appropriation of $4,700,000 the same as the budget and the House allowance.

COURT OF MILITARY APPEALS

Appropriations, 1989	$3,500,000
Budget estimate, 1990	4,000,000
House allowance	3,800,000
Committee recommendation	4,000,000

The Committee recommends an appropriation of $4,000,000. This is the same as the budget estimate and $200,000 above the House allowance.

ENVIRONMENTAL RESTORATION, DEFENSE

Appropriations, 1989	$500,800,000
Budget estimate, 1990	517,800,000
House allowance	900,800,000
Committee recommendation	517,800,000

The Committee recommends an appropriation of $517,800,000. This is the same as the budget estimate and $383,000,000 below the House allowance.

The "Environmental restoration" account, created in 1984 by the Congress, allows the Defense Department to comply with the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Superfund legislation, which requires the Defense Department and other Federal agencies to take responsibility for environmental remedial action at Federal facilities.

GOODWILL GAMES

Appropriations, 1989	$5,000,000
Budget estimate, 1990	14,600,000
House allowance	14,600,000
Committee recommendation	14,600,000

The Committee recommends an appropriation of $14,600,000 which is the same as both the budget estimate and the House allowance.

HUMANITARIAN ASSISTANCE

Appropriations, 1989	$13,000,000
Budget estimate, 1990	13,000,000
House allowance	13,000,000
Committee recommendation	13,000,000

The Committee recommends an appropriation of $13,000,000 the same as both the budget estimate and the House allowance.

This appropriation provides for the tranportation of excess Department of Defense nonlethal supplies for humanitarian assistance to refugees.

DEPARTMENT OF DEFENSE BASE CLOSURE ACCOUNT

Appropriations, 1989	
Budget estimate, 1990	$500,000,000
House allowance	[1]
Committee recommendation	300,000,000

[1] The House allowance provides "Base closure" account funding in the military construction appropriations bill.

The Committee recommends an appropriation of $300,000,000. This is $200,000,000 below the budget estimate, and is consistent with the level recommended by the report of the Defense Secretary's Commission on Base Realignments and Closures. This also was the level reaffirmed by the Commissioners in testimony during Committee hearings this year.

The Committee acknowledges the difficult task assumed by the Commission chairmen and staff. Within 2 months of the passage of the Base Closure and Realignment Act, Public Law 100-526, the Commission produced a detailed report that recommended the closure or realignment of 145 defense installations, 86 of which were proposed for closure. These efforts were performed in a professional manner, under an extremely tight timeframe.

The Committee held two hearings to explore the Base Closure Commission recommendations. It listened to testimony from the Commission chairmen, the Deputy Assistant Secretary of Defense for Installations, and representatives from the Congressional Budget Office. The Committee found the Commission's economic justification for several of the recommendations to be flawed. The Committee also found that the Commission and the Department had not addressed the need to retain domestic installations to support United States troops and units that are likely to return from NATO and Korea during the next several years.

Most importantly, the Committee found that the Department of Defense endorsed the Commission's recommendations without thoroughly examining the supporting data. The Department of Defense took, at most, 4 working days to review and approve the 145 installation realignments proposed.

During the Committee's second hearing on April 4, 1989, the departmental official in charge of base closures confirmed this assessment of the Department's review:

> My own review, Senator, consisted of reading the report and talking to some people who had worked on the staff, and judging that the package was sensible.

Our criticism of the cursory review the Department afforded the Commission's recommendations should not be misunderstood. The Committee recognizes the need to reduce defense spending and believes base closures and realignments should be supported, but only where such changes result in deficit savings. However, it has not been convincingly demonstrated to the Committee that each Commission recommendation will do so.

The Committee is troubled by the mechanistic and autocratic process established in the Base Closure Act. The Commission's findings—under the terms of the enabling legislation—must be accepted or rejected in their entirety. They are not subject to the review or examination of the merits of any individual recommendation, even if the recommendation is found to be in error. During testimony, the Commissioners could not provide a satisfactory answer of what redress might be available if it could be clearly documented that the Commission had made an honest mistake.

The Committee believes an objective analysis and review of the Commission's estimates is needed. The Department's haste to approve the Commission recommendations without reservation, in the absence of a thorough analysis of the Commission's recommendations, raises questions about the Department's objectivity on this issue. There will be a concrete negative impact to many closures on affected communities and individuals. The expected hardship and sacrifice that the base closures will bring is tolerable only if those making the sacrifice and enduring the hardships can see that there is good reason for doing so. The mandate of the Base Closure Commission measured this in terms of economic savings, and that is the standard we intend to employ.

The Committee, therefore, recommends bill language that tasks the Comptroller General of the United States to review each of the Commission's recommendations and report back to the House and Senate Appropriations Committees not later than March 30, 1990. The bill language calls upon the Comptroller General to examine each closure action and to report on each action as soon as possible. He is to determine whether the closure or realignment is likely to result in savings exceeding costs within 6 years (the Commission's chartered criteria). The Comptroller General need not wait until he has reviewed all proposals before reporting on any one of them; indeed he is encouraged to review and report on each proposal without waiting until all reviews are finished. In any case, he must report on all of the proposals before March 30, 1990. Because the closure actions cannot, by law, begin before January 1, 1990, this proposal would delay conclusive findings by no more than 3 months. If the Comptroller General agrees with the Commission's analysis and finds that savings will be achieved, the Department may proceed and use appropriated funds. If the Comptroller General disagrees with the Department's analysis, then the Committee sees no reason to fund the implementation of the realignment.

Military value.—The Committee understands that the Comptroller General already has conducted a partial review of the rationale regarding military value behind the bases selected for closure or realignment for other Committees of Congress. The Committee understands that, in regard to the report issued by the Commission on Base Realignment and Closure, the Comptroller General of the United States has found that some significant errors (errors large enough to change the ranking of candidate bases for closure or realignment) were made in the Commission's phase one determination of Air Force and Army training bases to be closed or realigned.

In light of the GAO's finding, the Committee directs the Secretary of Defense to review the General Accounting Office analysis of these errors and report to the Committees of Armed Services and Appropriations of the House of Representatives and Senate on or before February 15, 1990, whether the Secretary concurs with the GAO's analysis or, if not, where the Secretary disagrees. In those cases where the Secretary concurs that significant errors were made (large enough to change the ranking of candidate bases for closure or realignment), the Secretary shall forward to the Committees justification as to why the bases should still be closed or realigned pursuant to the Commission's mandate. In those cases where the Secretary disagrees that significant errors were made (large enough to change the ranking of candidate bases for closure or realignment), the Secretary shall report to the said committees the basis for his disagreement.

TITLE III

PROCUREMENT

ESTIMATES AND APPROPRIATION SUMMARY

The fiscal year 1990 Department of Defense procurement budget request totals $78,310,600,000. The accompanying bill recommends $75,656,904,000 in new budget authority.

PROCUREMENT OVERVIEW

The Committee recommendation funds nearly every major and minor system requested by the President. Specific adjustments are recommended in many items based either on anticipated lower costs from contract savings or on a reestimate of the funding requirement based on delays in the development or production process and phasing of equipment deliveries. The Committee has recommended several programs for multiyear procurement because of the emphasis placed on this strategy by the new administration. However, the Committee's support for several of these requests is marginal because of the lack of significant savings and questions of overall requirements.

The specific recommendations discussed in detail provide more helicopters, aircraft, tanks, and vessels than requested by the President. In its recommendations, the Committee has also given careful consideration to the requirements of our field commanders, and has fully funded those items which are supportable.

The President recommended terminating several procurement programs this year; the Committee has not provided any funding to negate these efforts. The Committee recognizes that future fiscal constraints forces such action in fiscal year 1990. The Committee generally supports the emphasis on fully funding those future systems which will provide the necessary technological leaps to maintain the qualitative lead of U.S. weapons systems and is willing to forego continuation of current program production.

In the text which follows directly below, the Committee provides guidance on issues which crosscut several or all procurement accounts. In the sections which follow the Committee describes its specific programmatic adjustments.

AIRBORNE SELF-PROTECTION JAMMER

The airborne self-protection jammer [ASPJ] is a joint Navy and Air Force program designed to provide a common defensive electronic countermeasures system for Navy and Air Force tactical aircraft. The Committee has recently learned of operational test results which conclude that ASPJ has several significant shortcomings, particularly in its effectiveness in jamming electronic signals.

The Committee is concerned that the Defense Department is proceeding to low rate initial production, even though test results have been disappointing. Therefore, the Committee directs that no funds appropriated for procurement of ASPJ be obligated, until the system sucessfully concludes operational test and evaluation and the Under Secretary of Defense for Acquisition reports to the Committees on Appropriations and Armed Services on the results of all tests.

REPROGRAMMING PROCEDURES

In recent years, the Committee has become increasingly concerned with ensuring that reprogramming procedures to be followed by the Department of Defense provide both flexibility, to enable the Department to accommodate unavoidable changes in programs, and direction, to ensure that the Department closely follows congressional intent. Last year, restrictions were placed on the Department's ability to terminate or drastically reduce programs without prior congressional concurrence.

The Committee believes that current reprogramming procedures provide the proper balance between flexibility and control, but notes that in some cases, these procedures are not being followed. The Department is cautioned to be more careful about notifying the Committees on Appropriations when new efforts are begun—regardless of the cost of those efforts. The Committee also reminds the Department that new procurement or research and development efforts costing more than $2,000,000 in the first year, $10,000,000 in the first 3 years or with significant follow on costs are to be considered above threshold reprogramming requests. This restriction on new efforts should be applied whether or not the funds are made available from within the P-1 or R-1 line item or result from reprogramming into the P-1 or R-1 line item.

MILSTAR

The House-passed appropriations act would terminate the MILSTAR satellite program after a three satellite configuration is achieved, on the grounds that low priority has been afforded the system by the Air Force and Department of Defense. The Committee continues to believe that the Department of Defense has a compelling requirement for EHF command, control, and communications, to be supported by MILSTAR. The Committee is satisfied that there are no grounds for the concern that the Navy is planning to use its EHF satellite program to satisfy operational requirements, lessening its support for MILSTAR.

The Committee recognizes that the program has had many difficulties and that these have been compounded by the apparent readiness of the Department of Defense to allow the military departments to suggest MILSTAR program funds as a source of funding to support other systems. This willingness is inconsistent with assurances that MILSTAR is the Department's highest C^3 priority. The Committee expects the Department to demonstrate that MILSTAR has the highest priority by terminating what have come to be regarded as endless reassessments.

There are other management issues which complicate the MILSTAR program: the military departments are developing different ground terminals, raising the potential for interoperability problems; there have been delays in the satellite and terminal development programs, resulting in large unobligated prior year balances; and the program, because of classification, has not been budgeted in a way that facilitates congressional oversight.

The Committee, therefore, proposes to support the full capability system rather than the three satellite programs proposed by the House. We continue, however, to have concerns about the development and production status of the program.

INDIVIDUALLY CARRIED RECORDS [ICR]

The Committee is impressed with data provided on a program known as individually carried records [ICR] and its potential for future cost savings for all the services. The ICR program would utilize electronically coded identification tags to minimize the time and logistical support needed to maintain and process paper personnel records. The feasibility of this technology has been examined by the Army's Troop Support Agency, the U.S. Army Finance and Accounting Center, and the Battelle Memorial Institute, all of which indicate a potential for substantial cost savings.

The Committee understands that the next logical step is to conduct a formal test and evaluation of an ICR system and the Committee supports this endeavor. Since this is a potential cost benefit for all services, the Committee expects all services to be involved in the test and jointly fund the test requirements. The Committee requests that the Under Secretary of Defense for Acquisition [USDA] structure a meaningful joint service test and evaluation of the ICR system.

Prior to the obligation of any funds for this test, the USDA shall identify available funds within the amounts provided to the Department of Defense in this bill needed to conduct a test and evaluation of the ICR system and inform the Committees on Appropriations of these funding requirements. The USDA is also directed to report the results of the evaluation to the Committees on Appropriations at the time of submission of the fiscal year 1991 budget.

INDUSTRIAL ACTIVITY EQUIPMENT

The Senate-passed authorization bill directed that replacement equipment needed to modernize Department of Defense industrial activities no longer be financed in the Asset Capitalization Fund, but be budgeted in the procurement appropriations. The Committee concurs that the acquisition of major investment end items is best budgeted in the procurement accounts. Numerous abuses of the purposes for which the Asset Capitalization Fund was created lead us to believe that this equipment requires the detailed justification material prepared for procurement items and the closer scrutiny this material affords. This program is not intended to fund acquisition of ADP software or equipment, which are adequately budgeted in other programs. This recommendation is further discussed under the heading "Asset Capitalization", in the operation and maintenance overview section of this report. The following table shows the recommended adjustments by appropriation account.

SMALL AND MEDIUM BUSINESSES

The Congress has repeatedly expressed its concern that the Defense Department, in carrying out the goals of the Small Disadvantaged Business Program through price differentials and setasides, is denying nondisadvantaged small- and medium-size businesses a reasonable opportunity to compete for Department of Defense contracts. The Committee shares this concern.

In the conference report on the Fiscal 1989 Defense Authorization Act, the conferees directed the Secretary of Defense to ensure that any price differentials for small and disadvantaged businesses are tailored to the various segments and tiers of industry, so that other small- and medium-sized companies are not denied a reasonable opportunity to compete, and that price differentials are not used when adequate small and disadvantaged business participation exists within an industry category. The Defense Department has yet to comply with these directions by issuing an appropriate implementation plan. To enforce these requirements, the Senate Armed Services Committee has included similar directives in bill language in the fiscal 1990 authorization bill. This Committee supports the intent of the authorizing committee and urges the Defense Department to comply with congressional directives on this issue.

The Congress does not intend for the Defense Department to force those industry categories in which there is already substantial small and disadvantaged business participation to bear the burden of meeting overall Defense Department goals. Therefore, the Committee directs the Secretary of Defense to submit a report, within 120 days of enactment, to the Senate and House Committees on Appropriations and Armed Services, explaining the Department's policies regarding the small disadvantaged business program. This report should include an analysis and justification of the Department's current policies, and a detailed plan to improve the implementation of the program with the goal of ensuring that nondisadvantaged businesses are not denied a reasonable opportunity to compete.

INDUSTRIAL ACTIVITY EQUIPMENT

[In thousands of dollars]

Appropriation account	Budget request	Senate authorized	Committee recommendation
Other procurement, Army		58,900	58,900
Other procurement, Navy		351,900	351,900
Procurement, Marine Corps		3,400	3,400
Other procurement, Air Force		75,000	75,000
Procurement, defense agencies		29,900	29,900
Total		519,100	519,100

INSTALLATION OF MODERNIZATION EQUIPMENT

At the suggestion of the Department of Defense, the House and Senate Armed Services Committees have recommended that the cost of installing the equipment required to modernize existing forces be budgeted in keeping with the full funding policies that apply to the acquisition of equipment. Heretofore, the Department has budgeted these costs on an incremental basis, requesting only those amounts required to accomplish current year installations, thus understating the acquisition costs of the end items. The Armed Services Committees recommended increasing the affected procurement accounts in order to properly display the cost of installing those equipment end items procured in prior years that will be installed in fiscal year 1990. The table below displays the amount each affected appropriation account has been increased to cover the cost of equipment being installed in fiscal year 1990 that was acquired with previously appropriated funds.

INSTALLATION OF MODERNIZATION EQUIPMENT

[In thousands of dollars]

Appropriation account	Budget request	Senate authorized	Committee recommendation
Aircraft procurement, Army		31,600	31,600
Weapons and tracked combat vehicles		53,200	53,200
Other procurement, Army		59,100	59,100
Aircraft procurement, Navy		180,900	180,900
Other procurement, Navy		1,065,200	1,065,200
Procurement, Marine Corps		5,900	5,900
Aircraft procurement, Air Force		294,900	294,900
Missile procurement, Air Force		29,400	29,400
Total		1,720,200	1,720,200

The Committee concurs with the proposed policy change, expecting that, beginning with the fiscal year 1991 budget request, the cost of installation will be reflected in each applicable procurement line item. However, this shift to a full funding basis requires a further adjustment, to fund the installation of equipment acquired with previously appropriated funds but not scheduled for installation until after fiscal year 1990 and to fund the installation of equipment requested in fiscal year 1990.

The Committee intends to offer an amendment to fully fund the installation of modernization equipment budgeted in or prior to fiscal year 1990, so that the Department will not be required to perpetuate the incremental funding of these installations. The Committee expects the Department of Defense Comptroller to ensure that the cost of installing each item of equipment procured is considered with the other acquisition costs of the end item, and directs that, in future budget requests, these installation costs be budgeted and separately displayed within the individual procurement line items.

AIRCRAFT PROCUREMENT, ARMY

Appropriations, 1989	$2,883,700,000
Budget estimate, 1990	2,906,100,000
House allowance	3,081,798,000
Committee recommendation	2,672,700,000

The Committee recommends an appropriation of $2,672,700,000, a decrease of $233,400,000 from the President's budget and $409,098,000 below the House allowance.

This appropriation provides funding for the acquisition of tactical and utility airplanes and helicopters, including associated electronics and communications equipment and armament; modification and modernization of in-service aircraft; flight simulators; ground support equipment; production base support; and depot reparable assemblies, components, and repair parts including spare engines, transmissions, and gear boxes.

COMMITTEE RECOMMENDED PROGRAM

The budget request for Army aviation represents a significant change from previously submitted plans and from the programs funded for fiscal year 1989. Under the heading "Aircraft procurement, Army," perhaps, the proposals which have attracted the most attention are the Army's changed plans which now recommend the termination of the Army Helicopter Improvement Program [AHIP] in the coming year and the Apache attack helicopter in fiscal year 1991. In recognition of the fiscal constraints faced by the Defense Department this year, and in consideration of the even more limited funding which will be available next year, the Committee supports these changes and concurs in the cancellation of the AHIP in favor of the follow-on light helicopter, or LHX program. The Committee's recommended appropriation funds the same number and type of Army aircraft as requested. Specific adjustments made by the Committee are listed in the table below and are described in the text which follows.

COMMITTEE RECOMMENDED ADJUSTMENTS

Grisly hunter.—The budget includes $9,898,000 for the purchase of one grisly hunter surveillance aircraft. The Committee recommends funding the requested level; while the House recommends its deletion. The Committee is aware of delays in the current testing schedule and directs that none of the funds provided in its recommendation be obligated until the system has successfully concluded operational evaluation and the results of the evaluation are reported to the Committees on Appropriations.

AH-64 Apache helicopter.—The Committee recommends $741,356,000 for the purchase of 66 AH-64 Apache attack helicopters. This amount is $10,700,000 below the House and the budget request and is based on a GAO review of Apache costs.

AH-64 advance procurement.—The budget request includes $36,500,000 for advance procurement for the Apache program. The House provided the requested amount. The Committee will offer an amendment on the Senate floor to provide sufficient funding to complete the acquisition of the remaining 174 Apache helicopters which were approved last year for multiyear procurement. Since the funding to be provided under the Committee amendment will complete the acquisition of the required number of Apache helicopters and bring the program to termination in 1991, advance procurement financing is not required.

UH/MH-60 helicopters.—The Committee recommendation consolidates funding for UH-60 Blackhawk utility helicopters and MH-60 special operations helicopters. The amount provided for 72 aircraft is $170,784,000, a reduction of $74,800,000 from the request, and $35,300,000 below the House. The Committee has determined that the budget overstated requirements for these helicopters and, therefore, proposes to reduce funds for the MH-60K by $20,000,000 and those for the Blackhawk by $32,500,000. In addition, the Committee allowance is reduced by $22,300,000, based on the availability of excess prior year funds. The Committee directs that the funds appropriated in fiscal years 1988 and 1989 for the multistage improvement program, which has subsequently been canceled, be used to offset requirements for Blackhawk purchases in 1990.

MODIFICATION OF AIRCRAFT

OV-1D Mohawk.—The budget requests $15,238,000 for OV-1D Mohawk surveillance aircraft modifications. The House reduced funding for the overall request by $7,400,000, the amount requested for the purchase of the UPD-7 radar. The Committee disagrees with the House and recommends the appropriation of the full amount requested.

AH-64 Apache.—The Committee recommends $38,097,000 for modifications to the AH-64 as requested in the budget. The House reduced funding for the request by $17,104,000, deferring the air-to-air Stinger upgrade.

CH-47 Chinook.—The House recommends a reduction of funding for CH-47 modifications by $19,200,000, based on contract savings. The Committee concurs and provides $180,977,000, the same as the House allowance. The Committee also agrees with the House reduc-

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIRCRAFT PROCUREMENT, ARMY										
AIRCRAFT										
FIXED WING										
GRISLY HUNTER	1	9,898	--	---	1	9,898	--	---	+1	+9,898
RC-12H/K RECON AIRPLANE	5	52,739	5	52,739	5	52,739	--	---	--	---
ROTARY										
AH-64 ATTACK HELICOPTER (APACHE) (MYP)	66	752,056	66	752,056	66	741,356	--	-10,700	--	-10,700
AH-64 ATTACK HELICOPTER (APACHE) (MYP) (AP-CY)	--	36,500	--	36,500	--	---	--	-36,500	--	-36,500
UH-60 BLACKHAWK (MYP)	61	174,284	72	206,084	72	170,784	+11	-3,500	--	-35,300
UH-60 BLACKHAWK (MYP) (AP-CY)	--	180,312	--	180,312	--	180,312	--	---	--	---
MH-60K (SOF AIRCRAFT)	11	71,300	--	---	--	---	-11	-71,300	--	---
TOTAL, AIRCRAFT		1,277,089		1,227,691		1,155,089		-122,000		-72,602
MODIFICATION OF AIRCRAFT										
OV-1 MODS SURVEILLANCE AIRPLANE	--	15,238	--	7,838	--	15,238	--	---	--	+7,400
RC-12D MODS	--	43,063	--	43,063	--	43,063	--	---	--	---
RU-21 MODS	--	1,531	--	1,531	--	1,531	--	---	--	---
AH1S MODS	--	5,890	--	5,890	--	5,890	--	---	--	---
AH-64 MODS	--	38,097	--	20,993	--	38,097	--	---	--	+17,104
CH-47 CARGO HELICOPTER (MODS) (MYP)	--	200,177	--	180,977	--	180,977	--	-19,200	--	---
CH-47 CARGO HELICOPTER (MODS) (MYP) (AP-CY)	--	104,300	--	96,000	--	96,000	--	-8,300	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OH-58 MODS	--	28,234	--	23,234	--	23,234	--	-5,000	--	---
UH-1 MODS	--	9,602	--	9,602	--	9,602	--	---	--	---
UH-60 MODS	--	40,941	--	40,941	--	40,941	--	---	--	---
AHIP	--	---	--	195,000	--	---	--	---	--	-195,000
AHIP PRIOR YEAR SAVINGS	--	---	--	---	--	-96,000	--	-96,000	--	-96,000
AHIP (AP-CY)	--	---	--	35,300	--	---	--	---	--	-35,300
AIRBORNE AVIONICS	--	---	--	---	--	4,800	--	+4,800	--	+4,800
ASE MODS	--	7,125	--	7,125	--	7,125	--	---	--	---
ACFT 9WW MODS	--	19,717	--	19,717	--	19,717	--	---	--	---
SOF AIRCRAFT MODS	--	212,502	--	212,502	--	202,602	--	-9,900	--	-9,900
SOF AIRCRAFT MODS (AP-CY)	--	127,400	--	127,400	--	127,400	--	---	--	---
TRACTOR HEAVY MODS	--	791	--	791	--	791	--	---	--	---
AIRBORNE COMMAND AND CONTROL MODULES	--	---	--	4,800	--	---	--	---	--	-4,800
TOTAL, MODIFICATION OF AIRCRAFT		854,608		1,032,704		721,008		-133,600		-311,696
SPARES AND REPAIR PARTS	--	553,423	--	600,423	--	544,023	--	-9,400	--	-56,400
SUPPORT EQUIPMENT AND FACILITIES										
GROUND SUPPORT AVIONICS										
AIRCRAFT SURVIVABILITY EQUIPMENT	--	98,834	--	98,834	--	98,834	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER SUPPORT										
AVIONICS SUPPORT EQUIPMENT.............................	--	30,786	--	30,786	--	30,786	--	---	--	---
COMMON GROUND EQUIPMENT................................	--	46,325	--	46,325	--	46,325	--	---	--	---
AIR TRAFFIC CONTROL....................................	--	7,782	--	7,782	--	7,782	--	---	--	---
SYNTHETIC FLIGHT TRAINING SYSTEMS......................	--	9,959	--	9,959	--	9,959	--	---	--	---
INDUSTRIAL FACILITIES..................................	--	23,023	--	23,023	--	23,023	--	---	--	---
WAR CONSUMABLES..	--	4,271	--	4,271	--	4,271	--	---	--	---
UNDISTRIBUTED REDUCTION................................	--	---	--	---	--	---	--	---	--	---
TOTAL, SUPPORT EQUIPMENT AND FACILITIES.............		220,980		220,980		220,980		---		---
MODERNIZATION OF EQUIPMENT, O&M TRANSFER..............	--	---	--	---	--	31,600	--	+31,600	--	+31,600
TOTAL, AIRCRAFT PROCUREMENT, ARMY....................		2,906,100		3,081,798		2,672,700		-233,400		-409,098

tion of $8,300,000 from advance procurement funding, based on reduced requirements for engines, and recommends $96,000,000.

OH-58 Kiowa.—The Committee recommends $23,234,000 for OH-58 modifications, a reduction of $5,000,000 from the requested amount and the same as provided by the House.

Army Helicopter Improvement Program [AHIP].—The Army Helicopter Improvement Program, AHIP, is a modified OH-58 scout helicopter equipped with a mast mounted sight for improving masking and viewing capabilities. The Committee notes that program costs have escalated by 26 percent since last year. In its budget request, the Army proposes the termination of the AHIP. This decision is based on budgetary shortfalls, and the cost effectiveness of the AHIP program. Testimony received from Army witnesses supports cancellation of AHIP. The Committee concurs with the Army recommendation, and does not recommend funding for the program. The House provided $195,000,000 for modification of 36 aircraft and $35,300,000 for advance procurement for 36 additional aircraft to be funded in fiscal year 1991.

Anticipated fiscal constraints caused the Army to propose termination of the AHIP program following fiscal year 1987, because it was considered a low priority program. Congress restored funds for the program for fiscal year 1988, and funds were requested and provided for fiscal year 1989. One of the congressional concerns with the earlier proposed termination was the uncertain status of the follow-on light helicopter experimental, or LHX program. This concern has abated as the LHX program has become better defined and has successfully proceeded toward production. The Committee fully supports research and development on the LHX program, as discussed elsewhere in this report. In view of the progress made on LHX, the Committee now believes it is appropriate to cancel the AHIP program. Furthermore, the Committee agrees with the assessment of the Defense Department that certain systems must be terminated to allow future and superior systems to be funded.

The recommendation by the Committee is consistent with the Senate-passed authorization bill which specifically terminates further AHIP production. In accordance with the authorization action, the Committee has also reduced the fiscal year 1990 request for aviation modifications by $96,000,000—a reduction which is associated with the current availability of prior year savings from the AHIP program.

Special operations modifications.—The Committee recommends $202,602,000 for modification of special operations helicopters. The $9,900,000 reduction from the budget request is based on a GAO review of engine costs for the MH-47E and overstated production startup costs on the MH-60 program. The House recommends the budget request.

Airborne command and control consoles.—The Army did not request funding for fiscal year 1990 to purchase airborne command and control consoles, because it is revising its requirements for such systems and intends to initiate procurement for an upgraded version in the future. The House added $4,800,000 for purchase of the AN/ASC-15B command and control console. The Committee concurs with the intent of the House in providing funds for airborne command and control consoles in fiscal year 1990. Given the shortfalls which currently exist and the need for providing interoperable command and control, it does not seem prudent to eliminate production while awaiting the procurement of a future system. Therefore, the Committee provides $4,800,000 for purchase of airborne command and control consoles.

The Committee directs the Army to continue to purchase airborne consoles, while pursuing its plans to procure an upgraded version. The Army is encouraged to compete the procurement of future purchases of airborne command and control consoles.

Spares and repair parts.—The Committee recommends $544,023,000 for spares, a reduction of $9,400,000 from the request. The amended budget reduced the purchase of Blackhawk and Apache helicopters, but did not reduce the purchase of initial spare parts for these helicopters. The allowance adjusts the request accordingly.

The House provides $600,423,000 for spare parts—an increase of $47,000,000 to support efforts to repair damage caused by the storm at Fort Hood. The Army was instructed in the Fiscal Year 1989 Supplemental Appropriations Act to use existing funds to finance this effort. Consequently, the Committee recommends that the Army use funds which were appropriated for the AH-64 program in fiscal year 1989 to repair damages at Fort Hood.

MISSILE PROCUREMENT, ARMY

Appropriations, 1989	$2,602,800,000
Budget estimate, 1990	2,661,600,000
House allowance	2,942,399,000
Committee recommendation	2,343,229,000

The Committee recommends an appropriation of $2,343,229,000, a decrease of $318,371,000 below the President's budget request and $599,170,000 less than the House allowance.

This appropriation finances the procurement, production, modification, and modernization of surface-to-air and surface-to-surface missile systems; air defense control and coordination systems; antitank/assault missile systems; and related support and production base equipment.

COMMITTEE RECOMMENDED PROGRAM

The following table details the Committee recommendation in comparison to the President's budget request and the House allowance:

COMMITTEE RECOMMENDED ADJUSTMENTS

Air defense system—heavy [ADS].—The amended budget submission requests $238,871,000 in procurement and $40,200,000 in research and development for the air defense system—heavy, also know as the air defense antitank system [ADATS].

Since the amended budget was submitted, the Army, in conjunction with the Director of Operational Test and Evaluation, has revised the operational test and evaluation schedule for ADATS, necessitating a minimum increase of 10 months of testing over its original plan. If the Army holds to its proposed contract award dates, the Milestone IIIA decision and the fiscal year 1990 low rate initial production [LRIP] contract award would take place 5 months before the completion of the live fire operational test and evaluation.

The Army has admitted to the Committee that the revised test schedule is very tight and very dependent on the successful completion of each test increment. Testing can be delayed by many factors including system failures, range scheduling problems, target operations and availability, and weather. It is the expectation of the Committee that the ADATS will, like all weapons testing programs, experience delays in the revised test schedule which will further push completion of live fire testing beyond December 1991. Because of delays already experienced, and those which are likely to follow, the Committee believes that the full $238,871,000 requested will not be obligated by the Army in fiscal year 1990. Therefore, the Committee recommends $75,000,000 in procurement for fiscal year 1990, a reduction of $163,871,000 from the amended budget request.

The Committee is also aware of increased funding requirements within the "Research and development" account in order to accommodate the revised operational testing scheduled. The Committee, therefore, recommends an increase of $79,000,000 to the forward area air defense [FAAD] system, P.E. 63757A, research and development line.

Patriot missile.—The amended budget submission requests $924,488,000 for 815 Patriot missiles and associated ground support equipment for fiscal year 1990.

Within the fiscal year 1990 request for Patriot is the first funding increment ($248,300,000) of a joint air defense memorandum of understanding [MOU] with the Government of Italy, known as the Italian case. The MOU involves the exchange of United States purchased Patriot ground support equipment for Italian procurement and operation of air defense weapon systems, of Italian manufacture, at four United States airbases in Italy.

The GAO reports that when the Secretary of Defense and the Italian Minister of Defense signed the MOU in March 1988, they established a broad framework within which the specific details of the exchange would later be negotiated. The Italian case is budgeted to cost the United States $496,500,000 over the 2-year period fiscal year 1990-91. Even though the MOU has been signed by both parties, the Committee notes that the implementation agreement, which defines the terms and conditions of the exchange, has yet to be fully negotiated and signed by the parties. The GAO states that several current Italian negotiating positions differ from the original framework and have yet to be resolved by the negotiators. Further, the United States Army currently plans to obligate fiscal year 1990 funds to procure Patriot ground support equipment without the assurance that the Italian Government will appropriate funding necessary to the implementation of Italy's part of the agreement.

According to the chief United States negotiator, the Italian Government will have to pass a special law, outside their normal budgetary process, to fund their part of the agreement. This special law will be passed only after the implementation agreement has been fully negotiated and signed by both parties and the full terms and costs are reviewed by the Italian Parliament. The Army's budget request asks the U.S. Congress to authorize and appropriate the U.S. funding prior to the signing of the agreement on faith that the terms and funding, to be subsequently negotiated, will be acceptable to Congress.

The Committee does not feel it is prudent to appropriate almost $250,000,000 prior to reviewing a fully negotiated and signed implementation agreement and prior to the assurance of available funding from the Government of Italy. The Committee, therefore, defers, without prejudice, the funds requested within the Patriot line earmarked for the Italian case. If the implementation agreement is signed in fiscal year 1990 and funding is required, the Department of Defense has the ability to submit the signed agreement to Congress for review and request the necessary funding within a fiscal year 1990 supplemental request.

Laser Hellfire.—The amended Army budget request contains $138,326,000 for the procurement of 3,102 laser Hellfire missiles in fiscal year 1990.

The Committee is seriously concerned that the Army continues to ignore bipartisan congressional guidance to maintain Hellfire production at rates sufficient to operate the two competitive producers with reasonable efficiency. Year after year, the Congress has increased funding for the Hellfire missile above the Army's budget request to ensure the procurement of sufficient quantities to maintain a strong competitive acquisition strategy between the two producers. In addition, the Congress has directed, year after year, that the Army budget for at least 6,000 missiles in the next year's request, in order to maintain the truly competitive strategy, which has proven so successful in this program.

The Committee is disconcerted that, again in the fiscal year 1990 request, the Army has ignored congressional guidance and has budgeted for only 3,102 missiles. In addition, the Committee is quite distressed to learn that the Army has no intention of spending the additional $35,000,000 specifically appropriated and authorized in fiscal year 1988 by Congress for an increased Hellfire procurement.

Short of enacting a provision into law requiring the Army to procure sufficient Hellfire missiles, it appears the Army will continue to ignore congressional guidance. In the hope that the Army will, at last, respond to congressional direction on this issue, the Committee will not recommend bill language at this time. Instead, the Committee directs the Army to use $35,000,000 of funds appropriated in fiscal year 1988 (which are available for obligation) along with $163,326,000 of new budget authority recommended by the Committee to execute the fiscal year 1990 program for the procurement of 3,102 Hellfire missiles. Army program managers must recognize that the Committee will no longer accept or respond favorably to understated budgetary requirements.

Multiple launch rocket system.—The Army's amended budget request for the multiple launch rocket system [MLRS] includes $311,374,000 for the production of 24,000 rockets and 70 launchers in fiscal year 1990.

The Committee is concerned with the downward trend in MLRS rocket production, from a high of 72,000 in fiscal year 1988, to 48,000 in fiscal year 1989, and now further downward to the fiscal year 1990 request of 24,000. This downward trend is in direct contrast to the testimony of the CINCEUR on the importance of the MLRS in the central European theater. Further, the requested production rate of 24,000 rockets is an extremely inefficient utilization of existing production facilities, providing for less than one working shift per day in plant operations.

The Committee, therefore, recommends the appropriation of $440,174,000, an increase of $128,800,000 for an additional 24,000 rockets to maintain a more efficient production rate of 48,000 rockets per year. The Committee expects the Army to budget for at least 48,000 rockets in all future submissions.

HOUSE ADJUSTMENTS

The Committee does not recommend accepting the following House adjustments:

[In thousands of dollars]

	Budget request	House allowance	Committee recommendation
Non line of sight missile	32,469		32,469
Hawk missile	55,358	12,400	55,358
Stinger	117,545	206,545	117,545
Tow 2 (MYP)	114,710	165,810	114,710
Army tactical missile	87,273	133,273	87,273

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Appropriations, 1989	$2,830,921,000
Budget estimate, 1990	2,724,000,000
House allowance	2,692,438,000
Committee recommendation	2,607,994,000

The Committee recommends an appropriation of $2,607,994,000, a decrease of $116,006,000 below the President's amended budget request and $84,444,000 below the House allowance.

This appropriation provides for the procurement of tanks, armored personnel carriers and combat engineer vehicles. Funds are also provided for the acquisition of crew served weapons, grenade launchers, towed and self-propelled guns and howitzers, mortars, laser rangefinders, associated training equipment, modification of

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MISSILE PROCUREMENT, ARMY										
OTHER MISSILES										
SURFACE-TO-AIR MISSILE SYSTEM										
CHAPARRAL	422	30,787	422	30,787	422	30,787	--	---	--	---
NON-LINE OF SIGHT MSL (AP-CY)	--	32,469	--	---	--	32,469	--	---	--	+32,469
ADS HVY MSL SYSTEM	190	238,871	190	238,871	190	75,000	--	-163,871	--	-163,871
ADS HVY MSL SYSTEM (AP-CY)	--	31,700	--	31,700	--	31,700	--	---	--	---
HAWK MSL SYSTEM (MYP)	358	55,358	--	12,400	358	55,358	--	---	+358	+42,958
OTHER MISSILE SUPPORT	--	997	--	997	--	997	--	---	--	---
PATRIOT(MYP)	815	924,488	815	911,888	815	676,188	--	-248,300	--	-235,700
PATRIOT(MYP) (AP-CY)	--	---	--	---	--	---	--	---	--	---
STINGER	2,375	117,545	4,375	206,545	2,375	117,545	--	- -	-2,000	-89,000
LINE OF SIGHT FIRE UNIT	122	115,754	122	115,754	122	115,754	--	---	--	---
AIR-TO-SURFACE MISSILE SYSTEM										
LASER HELLFIRE SYSTEM	3,102	138,326	5,902	231,826	3,102	103,326	--	-35,000	-2,800	-128,500
ANTI-TANK/ASSAULT MISSILE SYSTEM										
TOW 2 (MYP)	9,455	114,710	13,755	165,810	9,455	114,710	--	---	-4,300	-51,100
MULTIPLE LAUNCH ROCKET SYSTEM (MYP)	24,000	311,374	48,000	400,600	48,000	440,174	+24,000	+128,800	--	+39,574
MLRS LAUNCHER SAVINGS	--	---	--	---	--	---	--	---	--	---
MLRS GRENADES	--	---	--	---	--	---	--	---	--	---
MULTIPLE LAUNCH ROCKET SYSTEM (MYP) (AP-CY)	--	63,400	--	63,400	--	63,400	--	---	--	---
ARMY TACTICAL MISSILE SYS (ATACMS)	152	87,273	276	133,273	152	87,273	--	---	-124	-46,000

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
ARMY TACTICAL MISSILE SYS (ATACMS) (AP-CY)............	--	7,600	--	7,600	--	7,600	--	---	--	---
TOTAL, OTHER MISSILES..............................		2,270,652		2,551,451		1,952,281		-318,371		-599,170
MODIFICATION OF MISSILES										
MODIFICATIONS										
PATRIOT MODS.......................................	--	19,449	--	19,449	--	19,449	--	---	--	---
CHAPARRAL MODS.....................................	--	---	--	---	--	---	--	---	--	---
HAWK MODS..	--	28,781	--	28,781	--	28,781	--	---	--	---
TOW MODS...	--	27,962	--	27,962	--	27,962	--	---	--	---
DRAGON MODS..	--	---	--	---	--	---	--	---	--	---
LANCE MODS...	--	---	--	---	--	---	--	---	--	---
PERSHING MODS......................................	--	---	--	---	--	---	--	---	--	---
MLRS MODS..	--	28,567	--	28,567	--	28,567	--	---	--	---
TRACTOR RIG..	--	2,578	--	2,578	--	2,578	--	---	--	---
AN/TSQ-73 MODS.....................................	--	---	--	---	--	---	--	---	--	---
TOTAL, MODIFICATION OF MISSILES....................		107,337		107,337		107,337		---		---
SPARES AND REPAIR PARTS............................	--	247,514	--	247,514	--	247,514	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SUPPORT EQUIPMENT AND FACILITIES										
AIR DEFENSE TARGETS....................................	--	23,317	--	23,317	--	23,317	--	---	--	---
ITEMS LESS THAN $2.0M (MISSILES)........................	--	2,172	--	2,172	--	2,172	--	---	--	---
PRODUCTION BASE SUPPORT................................	--	10,608	--	10,608	--	10,608	--	---	--	---
TOTAL, SUPPORT EQUIPMENT AND FACILITIES.............		36,097		36,097		36,097		---		---
PRIOR YEAR AUTHORIZATION CHANGES.......................	--	---	--	---	--	---	--	---	--	---
TOTAL, MISSILE PROCUREMENT, ARMY......................		2,661,600		2,942,399		2,343,229		-318,371		-599,170

in-service equipment, initial spares and repair parts, major components, and production base support.

COMMITTEE RECOMMENDED PROGRAM

The following table details the Committee recommendations in comparison to the budget request and the House allowance:

COMMITTEE RECOMMENDED ADJUSTMENTS

TRACKED COMBAT VEHICLES

Bradley fighting vehicle.—The amended budget requests $576,417,000 in procurement and $58,600,000 in advance procurement of 600 Bradley fighting vehicles in fiscal year 1990 and beyond. The Committee recommends $549,417,000 in procurement, a reduction of $27,000,000; and $34,600,000 in advance procurement, a reduction of $24,000,000 from the amended budget request.

In a recent meeting with the Bradley program manager, the Committee was informed that, based upon a reestimation of the fiscal year 1990 program, $27,000,000 has been identified as excess to requirements. The Committee recommends reducing the procurement request by this excess amount.

The Committee's recommended reduction to the Bradley's fiscal year 1990 advance procurement request is offset by two sources of available prior year funds. First, the Committee directs the Army to utilize $14,000,000 of prior year funds appropriated and authorized for the Improved Recovery Vehicle [IRV] Program, the M-88A1E1, which has been canceled by the Department for failing to meet performance specifications. Second, the Committee directs the Army to use $10,000,000 of funds appropriated, but not authorized, in fiscal year 1989 for the vehicle intercommunication system [VIS].

M-1 Abrams tank.—The amended Army budget submission requests $1,033,735,000 in funding for the acquisition of 448 M-1 tanks in fiscal year 1990 and $245,000,000 in funding for advance procurement of long-lead items. Further, the Marine Corps request includes funding for 155 M-1 tanks in fiscal year 1990, for a total M-1 procurement, Army and Marine, of 603 tanks in fiscal year 1990.

The fiscal year 1990 production schedule calls for the construction of 60 tanks per month (the minimum economic rate for the U.S. Government's two tank plants), for the first 5 months of the funded delivery period [FDP] as required under the terms of a previously approved multiyear contract. At the end of the 5-month period, the current Army proposal would terminate production of the M-1 tank at the Detroit Army Tank Plant, and move the total capacity for tank production to the Lima Tank Plant. In doing so, the Army proposal would reduce the production rate of M-1 tanks to 43 tanks per month, the minimum sustaining rate for the Lima facility, for the remaining 7 months of the fiscal year 1990 FDP.

The Senate Armed Services Committee, as well as the House Armed Services and Appropriations Committees, have reported legislation on fiscal year 1990 defense spending which includes provisions prohibiting the Army from taking any actions to close the Detroit facility. This Committee also believes that the closure of the Detroit facility is not in the best interest of our long term defense strategy and, therefore, the Committee also recommends barring the Army from closing the Detroit Army Tank Plant.

In making this recommendation, however, the Committee has also noted that the current Army budget request for fiscal year 1990 is not sufficient to sustain both plants at their minimum sustaining rates—48 tanks per month. Since the first 5 months of fiscal year 1990 production is to take place under a previously negotiated multiyear contract, the Army must produce at least 60 tanks per month, or break the terms of the contract. It follows, then, that the remaining 7 months of production (which, under the Army plan, would be at a rate of 43 tanks per month) must be adjusted to insure the two plants operate at least at the minimum sustaining rate. The Committee, therefore, recommends adding $94,400,000 to the Army's amended budget request in order to finance the production of 33 additional tanks, which, according to the Army, is a sufficient number of tanks to keep both tank plants producing at the minimum sustaining rate for the final 7 months of the fiscal year 1990 funded delivery period.

To finance this addition, the Committee directs the Army to use $80,400,000 in funding which had previously been appropriated and authorized for the now terminated Improved Recovery Vehicle [IRV] Program, M-88A1E1. Additionally, the M-1 program office has identified to the Committee $14,000,000 in contract savings from the fiscal year 1989 program. The Committee directs the Army to utilize these savings to finance the additional tanks approved by the Committee.

The Army's M-1 advance procurement request only supports the minimum sustaining rate for one facility in fiscal year 1991. Since Congress is directing the Army to keep the Detroit facility open, an additional 60 tanks must be added to the Army's fiscal year 1991 budget request to maintain the minimum sustaining rate for two facilities. The Committee, therefore, recommends adding $40,000,000 to the advance procurement request.

To finance this addition, the Committee directs the Army to utilize the $10,000,000 in fiscal year 1990 advance procurement funds identified by the program office as excess to current requirements and $30,000,000 which is now available from prior year appropriations for the Improved Recovery Vehicle [IRV] Program.

SUPPORT EQUIPMENT AND FACILITIES

Spares and repair parts.—The Army requested $309,956,000 for the purchase of spares and repair parts for weapons and tracked vehicles in fiscal year 1990.

A GAO review of the Army's Tank Automotive Command's [TACOM] budget request for spares and repair parts indicates that the budget request is overstated by $37,400,000 in fiscal year 1990. The January TACOM forecast of requirements for spares and repair parts was $98,400,000, as opposed to the $135,800,000 requested in the amended budget. The Committee recommends funding of the budget request, minus the amount identified as excess.

Production base support.—The Army budgeted $55,442,000 for production base support requirements in fiscal year 1990. Within this amount is $32,900,000 for the cost to layaway the Detroit Army Tank Plant. Since each of the military spending committees have directed the Army to keep the Detroit facility operating, these funds are no longer needed. Therefore, the Committee recommends $22,542,000 for production base support, a reduction of $32,900,000 from the amended budget request.

WEAPONS AND OTHER COMBAT VEHICLES

Howitzer, light, 105 mm, M-119.—The Army has requested $24,631,000 for the procurement of 75 M-119, 105 mm light Howitzers in fiscal year 1990.

First article testing on the fiscal year 1988 U.S. produced M-119 Howitzers is not scheduled until October 1990, the first month of fiscal year 1991. Moreover, there is a backlog of undelivered Howitzers from prior year appropriations which has caused very high unexpended balances to accumulate in this account. Only 37 of the 214 M-119 Howitzers appropriated in fiscal year 1987, fiscal year 1988, and fiscal year 1989 have been delivered. The Army has informed the Committee that the first U.S. produced Howitzer, appropriated for in fiscal year 1988, will not be delivered until the first quarter for fiscal year 1991.

The Committee recommends the denial of the fiscal year 1990 procurement funds and expects the Army and the manufacturer to move expeditiously to resolve the production problems in this program.

The Committee recognizes the need to continue to procure critical long-lead items to ensure that, when production problems are resolved, the manufacturing line will not be unnecessarily delayed. Therefore, the Committee has recommended $4,000,000 in funding for advance procurement of long-lead items for future production.

Grenade launcher, 40 mm, MK-19.—The amended budget submission requests $19,736,000 for the procurement of 1,476 MK-19 40 mm grenade launchers in fiscal year 1990. In addition to the Army request, the Marine Corps has also included $1,858,000 for the procurement of 123 MK-19's within its fiscal year 1990 amended budget request. The Army is the procuring agency for this weapon system.

Production problems with the MK-19 grenade launcher continue to delay deliveries of prior year contracts. As of September 1, 1989, the producer was still trying to complete contractual deliveries of fiscal year 1983 appropriated weapons. Further, since March 1989, the manufacture has been experiencing further delays in production deliveries due to poor quality material from subcontractors, poor material processing control on the plant floor, and excessive rework requirements.

In light of the backlog of undelivered weapons, the Committee recommends denial of all funds requested by all services in fiscal year 1990 for the production of MK-19 grenade launchers.

Personal defense weapon, 9 mm.—The Army's budget submission includes $7,539,000 for the procurement of 34,696 9 mm handguns. The Committee recommends denial of the fiscal year 1990 budget request without prejudice, because of production delays in the program.

On August 2, 1989, the Army sent the manufacture of the 9 mm handgun a show cause letter as a result of the company's inability to perform on its contract. The manufacturer is currently behind on deliveries, having delivered no pistols since June, when 500 pistols failed the Army's reliability lot testing. Further, the manufacturer is also behind in the delivery of modification kits which are required to retrofit previously fielded pistols to prevent the recurrence of failures of the slide mechanism.

The Committee continues to support the 9 mm program. However, the deferral of consideration of further funding for 1 year will provide the Army and the manufacturer time to correct the problems with the fielded weapons and eliminate the backlog in deliveries of modification kits and new production guns.

HOUSE ADJUSTMENTS

Vehicle intercommunication system [VIS].—The House passed bill contains a legislative restriction which prohibits the Army from obligating any funds provided in H.R. 3072, the House passed fiscal year 1990 Defense appropriations bill, for the procurement or installation of AN/VIC–1 vehicle intercom systems. The House's intention appears to be to force the Army to comply with prior year appropriations conference committee report language which directed the Army to begin a source selection and initial procurement of a competitively selected modern off-the-shelf vehicle intercommunication system [VIS].

The Senate strongly opposes the imposition of this legislative restriction upon the Army. If the Army were to comply with this restriction, it could not install AN/VIC–1 intercom systems into any vehicles being produced and delivered in fiscal year 1990. Furthermore, the House Appropriations Committee acknowledges that it will take 2 to 3 years to select, produce, and integrate a modern VIS into the first vehicle. Thus, the result of the House passed legislation would be a prohibition of the installation of any intercom systems on vehicles in production over the next 2 or 3 years. This could pose a grave danger to soldiers, because, clearly, without an operable intercom system, no tracked vehicle can be safely or effectively operated by Army personnel. Therefore, the Committee cannot recommend approval of the restriction as passed by the House.

It should be clearly understood, however, that the Committee does support the overall goal of the House bill language. The Army should immediately begin the process of competitively selecting, among existing nondevelopmental systems, a modern VIS for tracked vehicles. If the Army fails to do so, this Committee will join its House counterpart in sharply reducing recommended funding for tracked vehicles in the next fiscal year.

The Committee recognizes that this effort will require some development effort to accommodate the installation of a new VIS on combat vehicles and that this development and integration will have a price. The Committee would give prompt consideration to an Army reprogramming action when these costs are identified.

The Committee does not recommend accepting the following House adjustments:

[In thousands of dollars]

	Budget request	House allowance	Committee recommendation
Field artillery support vehicle		60,000	
BFVS series (MOD)	84,098	77,348	84,098
Howitzer, med, SP 155 mm M-109 (MOD)	75,477	41,677	75,477
M-1 Abrams tank (MOD)	42,328	36,228	42,328

PROCUREMENT OF AMMUNITION, ARMY

Appropriations, 1989	$2,012,970,000
Budget estimate, 1990	1,704,800,000
House allowance	2,021,317,000
Committee recommendation	1,691,147,000

The Committee recommends an appropriation of $1,691,147,000 for ammunition. This is $13,653,000 below the budget request and $330,170,000 below the House allowance.

This appropriation finances the acquisition of ammunition for training and war reserve stocks, modernization and maintenance of equipment and facilities (including construction), and maintenance of inactive ammunition plants.

COMMITTEE RECOMMENDED PROGRAM

The following table details the Committee recommendation in comparison to the budget request and the House allowance.

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
PROCUREMENT OF W&TCV,ARMY										
TRACKED COMBAT VEHICLES										
BRADLEY FIGHTING VEHICLE FAMILY (MYP)	600	576,417	600	554,585	600	549,417	--	-27,000	--	-5,168
BRADLEY FIGHTING VEHICLE FAMILY (MYP) (AP-CY)	--	58,600	--	58,600	--	34,600	--	-24,000	--	-24,000
BRADLEY FVS TRAINING DEVICES	--	12,309	--	12,309	--	12,309	--	---	--	---
BRADLEY FVS TRAINING DEVICES (MOD)	--	---	--	---	--	---	--	---	--	---
RECOVERY VEHICLE SERIES (MYP)	--	---	--	---	--	---	--	---	--	---
RECOVERY VEHICLE PRIOR YEAR SAVINGS	--	---	--	---	--	---	--	---	--	---
RECOVERY VEHICLE SERIES (MYP) (AP-CY)	--	---	--	---	--	---	--	---	--	---
M1 ABRAMS TANK TRAINING DEVICES	--	12,886	--	12,886	--	12,886	--	---	--	---
M1 ABRAMS TANK SERIES (MYP)	448	1,033,735	481	1,076,786	481	1,033,735	+33	---	--	-43,051
M1 ABRAMS TANK SERIES (MYP) (AP-CY)	--	245,000	--	235,000	--	245,000	--	---	--	+10,000
FIELD ARTILLERY AMMO SUPT. VEH	--	---	96	60,000	--	---	--	---	-96	-60,000
MODIFICATION OF TRACKED COMBAT VEHICLES										
CARRIER, MOD	--	---	--	---	--	---	--	---	--	---
BFVS SERIES (MOD)	--	84,098	--	77,348	--	84,098	--	---	--	+6,750
HOWITZER, MED SP FT 155MM M109 SER(MOD)	--	75,477	--	41,677	--	75,477	--	---	--	+33,800
M1 ABRAMS TANK (MOD)	--	42,328	--	36,228	--	42,328	--	---	--	+6,100
9WW	--	491	--	491	--	491	--	---	--	---
HOST NATION SUPPORT	--	53,981	--	53,981	--	53,981	--	---	--	---
SUPPORT EQUIPMENT AND FACILITIES										
SPARES AND REPAIR PARTS	--	309,956	--	309,956	--	272,556	--	-37,400	--	-37,400
ITEMS LESS THAN $2.0M (TCV-WTCV)	--	1,684	--	1,694	--	1,684	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
PRODUCTION BASE SUPPORT (TCV-WTCV)......................	--	55,442	--	23,942	--	22,542	--	-32,900	--	-1,400
REGIONAL MAINTENANCE TRAINING SITES-EQUIP.............	--	6,399	--	5,399	--	6,399	--	---	--	---
TOTAL, TRACKED COMBAT VEHICLES.......................		2,568,803		2,561,872		2,447,503		-121,300		-114,369
WEAPONS AND OTHER COMBAT VEHICLES										
HOWITZER, LIGHT, TOWED, 105MM, M119.....................	75	24,631	--	---	--	---	-75	-24,631	--	---
HOWITZER, LIGHT, TOWED, 105MM, M119(AP-CY).............	--	---	--	---	--	4,000	--	+4,000	--	+4,000
MACHINE GUN, 7.62MM, M60................................	580	2,965	580	2,965	580	2,965	--	---	--	---
SOF WEAPONS...	--	1,892	--	1,892	--	1,892	--	---	--	---
MACHINE GUN, 5.56MM (SAW)...............................	5,932	8,683	5,932	8,683	5,932	8,683	--	---	--	---
GRENADE LAUNCHER, AUTO, 40MM, MK19-3....................	1,476	19,736	1,476	19,736	--	---	-1,476	-19,736	-1,476	-19,736
LAUNCHER, SMOKE GRENADE.................................	2,627	1,594	2,627	1,594	2,627	1,594	--	---	--	---
MORTAR, 120MM...	167	10,854	167	10,854	167	10,854	--	---	--	---
M16 RIFLE...	32,800	14,179	32,800	14,179	32,800	14,179	--	---	--	---
SNIPER WEAPON SYSTEM....................................	1,010	3,770	1,010	3,770	1,010	3,770	--	---	--	---
PERSONAL DEFENSE WEAPON, 9MM............................	34,696	7,539	34,696	7,539	--	---	-34,696	-7,539	-34,696	-7,539
VEH RAPID FIRE WPN SYS-BUSHMASTER (MYP).................	560	18,719	560	18,719	560	18,719	--	---	--	---
VEH RAPID FIRE WPN SYS-BUSHMASTER (MYP) (AP-CY).......	--	---	--	---	--	---	--	---	--	---
MODIFICATION OF WEAPONS AND OTHER COMBA										
M16A1 RIFLE MODS..	--	3,990	--	3,990	--	3,990	--	---	--	---
MODIFICATIONS LESS THAN $2.0M (WOCV-WTCV)..............	--	483	--	483	--	483	--	---		---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SUPPORT EQUIPMENT AND FACILITIES										
SPARES AND REPAIR PARTS..............................	--	20,991	--	20,991	--	20,991	--	---	--	---
ITEMS LESS THAN $2.0M (WOCV-WTCV).....................	--	1,035	--	1,035	--	1,035	--	---	--	---
PRODUCTION BASE SUPPORT (WOCV-WTCV)...................	--	14,136	--	14,136	--	14,136	--	---	--	---
MODERNIZATION OF EQUIPMENT - O & M TRANSFER...........	--	---	--	---	--	53,200	--	+53,200	--	+53,200
TOTAL, WEAPONS AND OTHER COMBAT VEHICLES............		155,197		130,566		160,491		+5,294		+29,925
TOTAL, PROCUREMENT OF W&TCV,ARMY....................		2,724,000		2,692,438		2,607,994		-116,006		-84,444

GENERAL ACCOUNTING OFFICE REVIEW

The Committee wishes to acknowledge the General Accounting Office [GAO] for its annual review of the Army ammunition budget. The Committee appreciates the level of professionalism of the GAO staff and recognizes the contribution the organization makes to the annual review of the budget. Many of the reductions recommended by GAO are reflected in both the House allowance and the Committee's recommendation.

OVERSEAS SALES

The Committee has included bill language, section 9087, to facilitate the sale overseas to U.S. allies of ammunition components. Several NATO allies have expressed interest in procuring the metal parts and baseburn assembly for the M-864 155 artillery projectile, as well as other ammunition components. The Committee believes that current law is unnecessarily restrictive and that the recommended modification is in the best interest of U.S. allies as well as the ammunition production base.

DEPLETED URANIUM

The Committee wishes to reaffirm its support for the Army's policy of split awards to the two U.S. mobilization base producers of depleted uranium products for the DOD. By maintaining dual sources of this critical and unique metal, the Army has protected the mobilization base, assured competitive bidding, and lowered costs. The Committee is also aware that other services and Government departments are contemplating procurement of depleted uranium from commercial sources and suggests that these agencies pattern their procurement policy after that established by the Army in 1987.

AMMUNITION BUDGET JUSTIFICATION

Beginning with the fiscal year 1991 budget request, the Committee will require that the Army include with its budget presentation for ammunition a classified annex that provides the days of supply, inventory objective, and current holdings for all rounds in production and in the inventory.

TACTICAL EXPLOSIVE SYSTEM

The Committee has repeatedly addressed the issue of the tactical explosive system [TEXS]. The testing, last year endorsed by the Committee, is now concluded. Therefore, the Committee believes that the Army should proceed with the acquisition of this defensive antiarmor system. The Committee continues to believe that the Army should take into consideration all aspects of cost and safety. The Committee urges the Army to choose a system which, based upon the Army's own test results, can satisfactorily meet the Army's required operating capability.

COMMITTEE RECOMMENDED ADJUSTMENTS

SMALL AND MEDIUM CALIBER AMMUNITION

20 mm M-940.—The Committee agrees with the House and recommends an addition of $10,000,000 to the funding requested for this air defense ammunition.

25 mm M-919.—The Committee agrees with the House and recommends an addition of $10,000,000 to the request for funding to procure improved ammunition for Bradley fighting vehicles.

MORTAR AMMUNITION

60 mm 1/10 practice M-840.—The Army has proposed to begin procuring 60 mm reusable mortar rounds from a producer which has been unable to manufacture acceptable 81 mm reusable mortar rounds. Reusable mortar rounds could provide additional training, but, due to quality assurance problems, several years of procurement of this type of ammunition have been funded with no benefit to the Army. Therefore, the Committee recommends a reduction of $6,403,000, or 20,000 rounds.

Because of this history, the Committee further recommends that $4,500,000 made available in fiscal year 1989 for 81 mm M-880 rounds be used by the Army in fiscal year 1990 for the procurement of grenades.

4.2 inch HE M-329.—In June 1989, the Army terminated production of 4.2 inch mortar ammunition because of safety and accuracy problems. The Committee agrees with the House and recognizes that additional appropriations for this type of ammunition are unnecessary.

TANK AMMUNITION

35 mm subcaliber M-968.—The Army's requirements for subcaliber tank training ammunition have fallen below the level estimated in the budget. The Committee concurs with the House reduction of $11,800,000.

105 mm and 120 mm training ammunition.—The Army's requirement for tank training ammunition has changed since submission of the budget. Requirements for 120 mm tank ammunition for training used on the M-1A1 have increased while requirements for 105 mm ammunition used on M-1 and M-60 tanks has decreased. Accordingly, the Committee recommends an increase of $42,300,000 in funding for procurement of 120 mm tank ammunition (M-831 and M-865) and recommends a reduction of $31,500,000 in the procurement of 105 mm tank ammunition (M-490A1 and M-724A1).

ARTILLERY AMMUNITION AND PROPELLING CHARGES

105 mm HERA 913.—The Committee agrees with the House allowance that recognizes technical problems with the round's rocket motor will delay production. A reduction of $7,900,000 is recommended.

155 mm smoke M-825.—The Committee recommends an increase of $60,000,000, an amount which is $20,000,000 above the House allowance. This funding will enable the Army to acquire 163,000 M-

825 smoke rounds to build war reserve and training inventories. Further, this increase will enable the continued employment of skilled workers in the event that current testing problems with the M-864 round cause production delays.

155 mm ADAM-L M-732.—The Committee agrees with the House increase of $20,000,000 for the ADAM antipersonnel mine delivery round. The increase of 5,000 rounds will help the Army build to its inventory objective.

155 mm M-687 (GB-2).—The Committee does not agree with the House reduction of funding for the M-687 (GB-2) binary chemical munition. The Committee recommendation funds the budget request of $47,019,000. While the binary round has been plagued with development problems related to subcomponents, the Committee believes that management actions undertaken by the Army and producers will get the program back on schedule in fiscal year 1990. Replacement of the current stock of unitary chemical rounds with safer and more stable binary rounds should be kept on schedule.

Propelling charges.—The Committee has reduced $106,260,000 in funding requested for the M-203 propelling charge. The Committee recommendation is consistent with the General Accounting Office's recommendation which is based on production schedules. The Committee recommendation is $42,260,000 below the House. The Committee, however, agrees with the House increase of $33,000,000 in funding for 314,000 M-119A1 propelling charges.

FUZES

Electronic and mechanical fuzes.—The Army has proposed shifting from mechanical to electronic fuzes for its artillery rounds. The electronic fuzes are more expensive and do not provide additional capability. The automatic setting capability that the Army had originally wanted as a feature of the new electronic fuzes is no longer a requirement. Moreover, neither of the two types of electronic fuzes (M-767 and M-762) which the Army intended to procure in 1990 has this remote setting capability.

The General Accounting Office has endorsed maintaining the mechanical fuze program in lieu of switching to electronic fuzes, and has recommended funding 1990 fuze requirements from available 1989 appropriations. The unit cost of a mechanical fuze is one-third to one-half the cost of an electronic fuze. The move to electronic fuzes is symptomatic of a general trend in Army ammunition to more expensive components and projectiles. In many instances, such as the move to 155 mm M-864 artillery rounds, the increased cost and reduced quantities are offset by increased capability. In the case of fuzes, however, this increased capability has not resulted. Costs are increasing for no additional capability. Moving to more expensive fuzes simply does not make sense. Consequently, the Committee recommends a reduction of $54,840,000.

MINES

MOPMS M-131.—The Committee recommends a reduction of $27,216,000 for the modular pack mine system [MOPMS], an amount which is $13,405,000 above the House allowance. If approved, this action would provide the Army an additional $13,405,000 to allow recovery from past production delays and to ensure that 1991 production can proceed without a 4-month gap between completion of production under current appropriations and the initiation of production with 1991 funding.

ROCKETS

AT-4.—The Air Force reduction of its AT-4 antitank weapon procurement would require the Army to restructure its current contract, with a likely increase in unit cost. The Committee recommends an increase of $3,000,000 in Army procurement to maintain the current unit cost contract price. The Committee does not agree with the House increase of $30,000,000 above the budget request for AT-4 procurement.

AT-4 trainer.—The Committee concurs with the House reduction of $3,890,000 resulting from excess inventories of AT-4 trainers.

PRODUCTION BASE SUPPORT

Industrial preparedness.—The Committee recommends that $71,000,000 in ammunition procurement be made available for equipment and facility maintenance and protection at the Army's 10 inactive ammunition plants. The Army has claimed during the past few years that insufficient support is provided for such facility activities through the operation and maintenance appropriation. The Committee believes that the Army has a legitimate grievance and has realigned funding to make it directly available to those with responsibility for managing the Army's ammunition industrial base.

Of the $71,000,000 recommended for appropriation, $8,000,000 is available only for production base modernization projects at Badger Ammunition Plant, WI.

Jefferson Proving Ground modernization.—The Committee does not agree to the budget request of $1,991,000 for computers and other modernization for the Jefferson Proving Ground. This installation was recommended for closure by the Secretary of Defense's Commission on Base Closure and Realignment. It makes little sense to modernize facilities and equipment at an installation that likely will soon close.

HOUSE ADJUSTMENTS

The Committee does not recommend accepting the following house adjustments:

[In thousands of dollars]

	Budget request	House recommendation	Committee recommendation
Nuclear weapons support facility	6,474	7,074	6,474
5.56 mm cartridges	41,747	45,247	41,747
7.62 mm cartridges	18,843	28,843	18,843
40 mm cartridges	46,870	53,870	46,870
40 mm HEDP cartridges		15,000	
105 mm blank artillery cartridge M–835		3,600	

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
PROCUREMENT OF AMMUNITION, ARMY										
AMMUNITION										
SPECIAL AMMUNITION										
NUCLEAR WEAPONS SUPPORT MATERIEL	--	6,474	--	7,074	--	6,474	--	---	--	-600
SMALL/MEDIUM CAL AMMUNITION										
CTG, 5.56MM, ALL TYPES	--	41,747	--	45,247	--	41,747	--	---	--	-3,500
CTG, 7.62MM ALL TYPES	--	18,843	--	28,843	--	18,843	--	---	--	-10,000
CTG, .45 CAL, BALL, M1911	--	---	--	---	--	---	--	---	--	---
CTG, .50 CAL, PLASTIC, M858	--	---	--	---	--	---	--	---	--	---
CTG, .50 CAL, BALL, M33	1,453	1,415	1,453	1,415	1,453	1,415	--	---	--	---
CTG, .50 CAL, BLANK, M928	--	---	--	---	--	---	--	---	--	---
CTG, 20MM, LKD TP-T, M220	4,172	15,027	4,172	15,027	4,172	15,027	--	---	--	---
CTG, 20MM, LKD TP, M55	5	16	5	16	5	16	--	---	--	---
CTG, 20MM, MPT-SD, M940	548	9,431	1,029	19,431	1,029	19,431	+481	+10,000	--	---
CTG, 25MM, LKD TP-T, M793	--	---	--	---	--	---	--	---	--	---
CTG, 25MM, AP TRNG, M910	758	14,438	758	14,438	758	14,438	--	---	--	---
CTG, 25MM, APFSDS-T, M919	102	9,075	214	19,075	214	19,075	+112	+10,000	--	---
CTG, 30MM, LKD TP M788	998	10,027	998	10,027	998	10,027	--	---	--	---
CTG, 40MM, ALL TYPES	--	46,870	--	53,870	--	46,870	--	---	--	-7,000
CTG, 40MM HEDP M430	--	---	1,374	15,000	--	---	--	---	-1,374	-15,000

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MORTAR AMMUNITION										
CTG, 120MM MORTAR HE W/PD FUZE	--	---	--	---	--	---	--	---	--	---
CTG, 120MM MORTAR, ILLUM	--	---	--	---	--	---	--	---	--	---
CTG, MORTAR, 60MM, 1/10 PRAC, M840	20	6,403	20	6,403	--	---	-20	-6,403	-20	-6,403
CTG, MORTAR, 60MM, SMOKE, M722	24	3,617	24	3,617	24	3,617	--	---	--	---
CTG, MORTAR, 60MM, HE, M720	126	12,719	126	12,719	126	12,719	--	---	--	---
CTG, MORTAR, 81MM, 1/10 PRAC, M880	--	---	--	---	--	---	--	---	--	---
CTG, MORTAR, 4.2 IN, HE, M329	99	11,253	--	---	--	---	-99	-11,253	--	---
CTG, MORTAR, 4.2 IN, ILLUM, M335	--	---	--	---	--	---	--	---	--	---
TANK AMMUNITION										
CTG, TANK, 35MM, SUBCAL PRAC, M968	192	15,234	39	3,434	39	3,434	-153	-11,800	--	---
CTG, TANK, 105MM, TP-T, M490A1	164	22,869	57	7,869	57	7,869	-107	-15,000	--	---
CTG, TANK, 105MM, DS-TP, M724A1	353	55,940	250	39,440	240	39,440	-113	-16,500	-10	---
CTG, TANK, 120MM, APFSDS-T, M829	--	---	--	---	--	---	--	---	--	---
CTG, TANK, 120MM, HEAT-MP-T, M830	--	---	--	---	--	---	--	---	--	---
CTG, TANK, 120MM, TP-T, M831	30	28,500	73	64,300	52	48,900	+22	+20,400	-21	-15,400
CTG, TANK, 120MM, TPCSDS-T, M865	91	63,519	127	85,419	127	85,419	+36	+21,900	--	---
ARTILLERY AMMUNITION										
CTG, ARTY, 75MM, BLANK, M337A1	82	1,788	82	1,788	82	1,788	--	---	--	---
CTG, ARTY 105MM BLANK M835	--	---	137	3,600	--	---	--	---	-137	-3,600
CTG, ARTILLERY, 105MM, HERA, M913	27	15,876	14	7,976	14	7,976	-13	-7,900	--	---
PROJ, ARTY, 155MM, DPICM, M483A1	--	---	180	90,000	--	---	--	---	-180	-90,000
PROJ, ARTY, 155MM, SMOKE WP, M825	--	---	109	40,000	163	60,000	+163	+60,000	+54	+20,000
PROJ, ARTY, 155MM, ADAM-L M731	14	62,098	19	82,198	19	82,198	+5	+20,100	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Budget amount	Qty.	House amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
PROJ, ARTY, 155MM, RAAMS-S M718	--	---	--	---	--	---	--	---	--	---
PROJ, ARTY, 155MM, RAAMS-L M741	35	47,399	35	47,399	35	47,399	--	---	--	---
PROJ, ARTY, 155MM, BASEBURNER M864	240	178,732	240	178,732	240	178,732	--	---	--	---
PROJ, 155MM CHEM GB-2	--	47,019	--	---	--	47,019	--	---	--	+47,019
PROJ, ARTILLERY, 155MM, TRNG, M804	--	---	117	17,000	--	---	--	---	-117	-17,000
PROJ, ARTY, 8 IN, HE RAP, M650	--	---	--	---	--	---	--	---	--	---
PROP CHG, 155MM, GREEN BAG, M3	220	11,685	760	40,385	220	11,685	--	---	-540	-28,700
PROP CHG, 155MM, RED BAG, M203	203	106,260	80	42,260	--	---	-203	-106,260	-80	-42,260
PROP CHG, 155MM, RED BAG, M119	--	---	314	33,000	314	33,000	+314	+33,000	--	---
ARTILLERY FUZES										
FUZE, ARTILLERY, ELEC TIME, M767	61	7,476	61	7,476	--	---	-61	-7,476	-61	-7,476
FUZE, ARTILLERY, PD, M739	1,001	13,668	1,001	13,668	1,001	13,668	--	---	--	---
FUZE, ARTILLERY, MECH TIME, M577	--	---	--	---	--	---	--	---	--	---
FUZE, ARTILLERY, MECH TIME, M582	--	---	--	---	--	---	--	---	--	---
FUZE, ARTILLERY, ELEC TIME, M762	417	47,364	417	47,364	--	---	-417	-47,364	-417	-47,364
MOUT FUZE	--	---	250	18,000	--	---	--	---	-250	-18,000
MINES										
TRAINING DEVICE, MINE SYSTEM	--	113	--	113	--	113	--	---	--	---
MINE, GEMSS, AT, M75	--	---	--	- -	--	---	--	---	--	---
MINE, VOLCANO, PRACTICE, M88	--	---	--	---	--	---	--	---	--	---
MINE, VOLCANO, AT/AP, M87	47	80,950	47	80,950	47	80,950	--	---	--	---
MINE, MICLIC, ROCKET MOTOR, MK22	1,781	6,882	1,781	6,882	1,781	6,882	--	---	--	---
MINE, MICLIC, LINE CHARGE, M58	937	9,875	937	9,875	937	9,875	--	---	--	---
MINE, MOPMS, AT/AP, M131	3,327	40,621	--	---	1,131	13,405	-2,196	-27,216	+1,131	+13,405

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
ROCKETS										
RANGER, ANTI-ARMOR WPN SYS (SOF)........................	--	3,698	--	3,698	--	3,698	--	---	--	---
AT-4 MULTI-PURPOSE WEAPON...............................	66	56,031	116	89,031	69	59,031	+3	+3,000	-47	-30,000
AT-4 MULTI PURPOSE WEAPON TRAINER.......................	5,859	3,890	--	---	--	---	-5,859	-3,890	--	---
ROCKET, HYDRA 70, ILLUM, M257...........................	23	15,625	23	15,625	23	15,625	--	---	--	---
ROCKET, HYDRA 70, HE/RS, M151/M433......................	--	---	--	---	--	---	--	---	--	---
ROCKET, HYDRA 70, SMOKE, M264...........................	2	1,157	2	1,157	2	1,157	--	---	--	---
ROCKET, HYDRA 70, MPSM PRAC, M267.......................	7	3,929	7	3,929	7	3,929	--	---	--	---
ROCKET, HYDRA 70, HE/PD, M151/M423......................	25	8,763	25	8,763	25	8,763	--	---	--	---
ROCKET, HYDRA 70, SIG PRAC, M274........................	167	51,162	167	51,162	167	51,162	--	---	--	---
OTHER AMMUNITION										
CTG, 165MM, COMB ENG VEH, TP, M623......................	19	8,090	19	8,090	19	8,090	--	---	--	---
PRIMER, PERCUSSION, M82.................................	--	---	--	---	--	- -	--	---	--	---
DEMOLITION MUNITIONS, ALL TYPES.........................	--	---	--	11,800	--	---	--	---	--	-11,800
LINEAR SHAPED CHARGE (SOF)..............................	--	---	--	---	--	---	--	---	--	---
GRENADES, ALL TYPES.....................................	--	12,612	--	22,912	--	12,612	--	---	--	-10,300
SIGNALS, ALL TYPES......................................	--	5,018	--	7,018	--	5,018	--	---	--	-2,000
SIMULATORS, ALL TYPES...................................	--	5,329	--	6,929	--	5,329	--	---	--	-1,600
MISCELLANEOUS										
AMMO COMPONENTS, ALL TYPES..............................	--	25,616	--	25,616	--	25,616	--	---	--	---
CAD/PAD...	--	7,155	--	7,155	--	7,155	--	---	--	---
ITEMS LESS THAN $2 MILLION..............................	--	7,072	--	7,072	--	7,072	--	---	--	---
EOD EXPLOSIVE ITEMS.....................................	--	2,255	--	2,255	--	2,255	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SPARES AND REPAIR PARTS	--	9,100	--	9,100	--	9,100	--	---	--	---
AMMUNITION PECULIAR EQUIPMENT	--	7,069	--	7,069	--	7,069	--	---	--	---
NITROGUANIDINE (LB)	--	22,830	--	22,830	--	22,830	--	---	--	---
AMMO 9MM/ELT	--	2,004	--	2,004	--	2,004	--	---	--	---
HOST NATION SUPPORT (AMMO)	--	18,239	--	18,239	--	18,239	--	---	--	---
CONV. WAR RESERVE STOCKS/TRAINING ROUNDS	--	---	--	---	--	---	--	---	--	---
CLASSIFIED PROGRAMS	--	182,676	--	197,276	--	182,676	--	---	--	-14,600
TOTAL, AMMUNITION		1,530,543		1,750,060		1,447,881		-82,662		-302,179
AMMUNITION PRODUCTION BASE SUPPORT										
PRODUCTION BASE SUPPORT										
PROVISION OF INDUSTRIAL FACILITIES	--	125,310	--	245,310	--	125,310	--	---	--	-120,000
COMPONENTS FOR PROVE-OUT	--	6,979	--	3,979	--	6,979	--	---	--	+3,000
LAYAWAY OF INDUSTRIAL FACILITIES	--	39,977	--	19,977	--	39,977	--	---	--	+20,000
RDX FACILITY	--	---	--	---	--	---	--	---	--	---
JEFFERSON PROVING GROUND MODERNIZATION	--	1,991	--	1,991	--	---	--	-1,991	--	-1,991
INDUSTRIAL PREPAREDNESS	--	---	--	---	--	71,000	--	+71,000	--	+71,000
ROUNDING ADJUSTMENT	--	---	--	---	--	---	--	---	--	---
TOTAL, AMMUNITION PRODUCTION BASE SUPPORT		174,257		271,257		243,266		+69,009		-27,991
TOTAL, PROCUREMENT OF AMMUNITION, ARMY		1,704,800		2,021,317		1,691,147		-13,653		-330,170

	Budget request	House recommendation	Committee recommendation
155 mm artillery cartridge M–483		90,000	
155 mm artillery training projectile M–804		17,000	
155 mm propellant charge M–3	11,685	40,385	11,685
Mout fuze		18,000	
Demolition munitions		18,800	
Grenades	12,612	22,912	12,612
Signals	5,018	7,018	5,018
Simulators	5,329	6,929	5,329
Classified programs	182,676	197,276	182,676
Provision of industrial facilities	125,310	245,310	125,310
Components for prove-out	6,979	3,979	6,979
Layaway of industrial facilities	39,977	19,977	39,977

OTHER PROCUREMENT, ARMY

Appropriations, 1989	$4,568,011,000
Budget estimate, 1990	4,037,100,000
House allowance	3,896,365,000
Committee recommendation	3,382,986,000

The Committee recommends an appropriation of $3,382,986,000, a decrease of $654,114,000 below the President's budget and $513,379,000 less than the House allowance.

This appropriation finances the acquisition of: (a) tactical and commercial vehicles including trucks, semitrailers, and trailers of all types to provide mobility to field forces and the Army logistical system; (b) communications and electronics equipment of all types to provide fixed, semifixed, and mobile strategic and tactical communications equipment; and (c) other support equipment such as chemical defensive equipment, tactical bridging equipment, maintenance shop sets, construction equipment, floating and rail equipment, generators and power units, material handling equipment, medical support equipment, special equipment for user testing, and training devices that are not specific to a particular weapon system. In each of these activities, funds are also included for modification of inservice equipment, spares and repair parts, and production base support.

COMMITTEE RECOMMENDED PROGRAM

During our review of the "Other procurement, Army" appropriation budget request, the Committee found that funds were being requested in fiscal year 1990 when, in fact, they were not required until fiscal year 1991.

This misalignment of funds and requirements occurred for several reasons: planned contract awards had slipped, development programs suffered problems during testing, and delays in deliveries of previously funded quantities had created production backlogs.

The Committee's recommendations have recognized these program delays and adjusted fiscal year 1990 funding as required. In those cases where all funding is deleted for programs whose prior year deliveries will continue through fiscal year 1990, the Committee does not intend that the programs be considered new starts in fiscal year 1991, nor that they be considered terminations in 1990.

The following table details the Committee recommendation in comparison to the budget request and the House allowance.

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER PROCUREMENT, ARMY										
TACTICAL AND SUPPORT VEHICLES										
TACTICAL VEHICLES										
TACTICAL TRAILERS/DOLLY SETS	--	19,265	--	16,020	--	19,265	--	---	--	+3,245
SEMITRAILER FB BB/CONT TRANS 22 1/2 T	--	---	--	---	--	---	--	---	--	---
SEMITRAILER FB BR/CONT TR 34T M872 C/S	--	---	--	---	--	---	--	---	--	---
SEMITRAILER LB 40T M870A1 (CCE)	--	---	--	---	--	---	--	---	--	---
SEMITRAILER, TANK, 5000G	20	1,195	20	1,195	20	1,195	--	---	--	---
SEMITRAILER, TANK, 7500G, BULKHAUL	--	---	--	---	--	---	--	---	--	---
SEMITRAILER VAN ELECTRONIC 3-6T 2W M373A2	--	---	--	---	--	---	--	---	--	---
HI MOB MULTI-PURP WHLD VEH (HMMWV)(MYP)	8,517	222,533	8,517	175,933	8,517	222,533	--	---	--	+46,600
SMALL UNIT SUPPORT VEHICLE (SUSV)	192	28,351	138	20,351	192	28,351	--	---	+54	+8,000
TRUCK, 5T, 6X6, ABT (MYP)	--	---	--	---	--	---	--	---	--	---
HEAVY EQUIPMENT TRANSPORTER SYS	220	34,950	220	22,550	220	34,950	--	---	--	+12,400
TRUCK, 10T, 8X8, ABT	46	7,468	--	---	46	7,468	--	---	+46	+7,468
FAMILY OF HEAVY TACTICAL VEH (MYP)	112	43,297	112	43,297	112	43,297	--	---	--	---
TRUCK, TRACTOR, LINE HAUL, M915A1	123	9,728	123	9,728	123	9,728	--	---	--	---
MODIFICATION OF IN-SERVICE EQUIPMENT	--	3,051	--	3,051	--	3,051	--	---	--	---
SHOP EQUIPMENT, AUTO MAINT & REP	--	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2.0M (TAC VEH)	--	3,484	--	3,484	--	3,484	--	---	--	---
NON-TACTICAL VEHICLES										
PASSENGER CARRYING VEHICLES	168	2,003	168	2,003	168	2,003	--	---	--	---
GENERAL PURPOSE VEHICLES	--	4,978	--	4,978	--	4,978	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
TRUCK, CARGO, PICKUP, 4X2.............................	--	---	--	---	--	---	--	---	--	---
TRUCK, CARRYALL...	--	---	--	---	--	---	--	---	--	---
SPECIAL PURPOSE VEHICLES..............................	--	7,748	--	7,748	--	7,748	--	---	--	---
SUPPORT EQUIPMENT AND FACILITIES										
SPARES AND REPAIR PARTS...............................	--	56,854	--	42,696	--	56,854	--	---	--	+14,158
PRODUCTION BASE SUPPORT (TAC VEH).....................	--	1,377	--	1,377	--	1,377	--	---	--	---
		------------		------------		------------		------------		------------
TOTAL, TACTICAL AND SUPPORT VEHICLES................		446,282		354,411		446,282		---		+91,871
		============		============		============		============		============
COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
TELECOMM EQUIP - READ CMD COMM										
JCSE EQUIPMENT (USREDCOM).............................	--	2,372	--	2,372	--	2,372	--	---	--	---
CLASSIFIED PROJECT 9WW................................	--	8,499	--	8,499	--	8,499	--	---	--	---
TRACTOR SEAT..	--	597	--	597	--	597	--	---	--	---
TELECOMM EQUIP - JOINT TACTICAL COMM PR										
TRI-TAC EQUIPMENT.....................................	--	22,094	--	---	--	22,094	--	---	--	+22,094
MOD OF IN-SVC EQ (TRI-TAC)............................	--	---	--	---	--	---	--	---	--	---
TELECOMM EQUIP-COMBAT SUPPORT COMM										
MOP SUBSCRIBER EQUIP..................................	--	984,719	--	1,199,719	--	884,719	--	-100,000	--	-315,000

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SINCGARS FAMILY	--	158,728	--	150,328	--	---	--	-158,728	--	-150,328
BATTLEFIELD ELEC COEI SYS (BECS)	2,810	33,201	2,810	31,301	800	10,000	-2,010	-23,201	-2,010	-21,301
SOF MOD RADIOS	--	26,542	--	21,942	--	26,542	--	---	--	+4,600
SMALL UNIT TRANSCEIVER	2,445	3,972	2,445	3,972	2,445	3,972	--	---	--	---
SMALL UNIT TRANSCEIVER (SOF)	--	---	--	---	--	---	--	---	--	---
VEHICULAR INTERCOM SYSTEM	--	---	--	---	--	---	--	---	--	---
MOD OF IN-SVC EQUIP (CSC)	--	4,152	--	4,152	--	4,152	--	---	--	---
SWASIA COMM INFRASTRUCTURE	--	17,097	--	17,097	--	17,097	--	---	--	---
ITEMS LESS THAN $2.0M (CSC-C-E)	--	199	--	199	--	199	--	---	--	---
ITEMS LESS THAN $2.0M(CSC-C-E)(SOF)	--	---	--	---	--	---	--	---	--	---
TELECOMM EQUIP - NMCS WIDE SUPPORT, ARM										
SECURE CONFERENCING PROJECT	--	2,175	--	2,175	--	2,175	--	---	--	---
TELECOMM EQUIP - STARCOM NON-DCS										
AR TELECOM AUTC PR (ATCAP)	--	3,063	--	3,063	--	3,063	--	---	--	---
C-E FACILITIES/PROJECTS	--	2,063	--	2,063	--	2,063	--	---	--	---
SOUTHCOM C3 UPGRADE	--	13,935	--	13,935	--	---	--	-13,935	--	-13,935
SOUTHCOM INTELL MGMT SYS	--	1,891	--	1,891	--	---	--	-1,891	--	-1,891
ELECTROMAG COMP PROG(EMCP)	--	495	--	495	--	495	--	---	--	---
LONG-HAUL COM (DCS)										
DEFENSE DATA NETWORK (DDN)	--	593	--	593	--	593	--	---	--	---
TERRESTRIAL TRANSMISSION EUROPE	--	5,139	--	5,139	--	5,139	--	---	--	---
TERRESTRIAL TRANSMISSIONS PACOM	--	395	--	395	--	395	--	---	--	---
WW TECH COM IMP PR(WWTCIP)	--	2,965	--	2,965	--	2,965	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
TELECOMM EQUIP - SATCOM-GRD ENVIRON										
DIGITAL EQUIPMENT (DSCS).............................	--	5,733	--	5,733	--	5,733	--	---	--	---
INTERCONNECT FACILITY (DSCS).........................	--	5,553	--	5,553	--	5,553	--	---	--	---
JAM RESISTANT SECURE COM (JRSC)......................	--	4,853	--	4,853	--	4,853	--	---	--	---
DSCS OPERATIONS CONTROL SYS (DOCS)...................	--	20,748	--	10,748	--	20,748	--	---	--	+10,000
MOD IN-SVC EQUIP (DSCS)..............................	--	1,948	--	1,948	--	1,948	--	---	--	---
MPK SAT UHF TERM, AN/PSC-3...........................	--	---	--	---	--	---	--	---	--	---
VEH SAT UHF TERM, AN/VSC-7...........................	--	---	--	---	--	---	--	---	--	---
SINGLE CHANNEL OBJECT TACT TERM (SCOTT)..............	16	38,641	--	---	16	38,641	--	---	+16	+38,641
MOD IN-SVC EQUIP (TAC SAT)...........................	--	2,598	--	2,598	--	2,598	--	---	--	---
TELECOMM EQUIP - EUCOM C3 SYSTEM										
USEUCOM CMD COMMAND CNTRS............................	--	5,436	--	5,436	--	5,436	--	---	--	---
USAREUR TACTICAL COMD & CONTROL SYS..................	--	5,139	--	5,139	--	5,139	--	---	--	---
TELECOMM EQUIP - COMSEC EQUIPMENT										
IFF COMSEC...	--	---	--	---	--	---	--	---	--	---
TRUNK ENCRYPTION DEVICES (TED).......................	--	9,988	--	9,988	--	9,988	--	---	--	---
MINTERM KY-99..	--	6,245	--	6,245	--	6,245	--	---	--	---
AUTO KEY DC KGX-93/TSEC..............................	--	---	--	---	--	---	--	---	--	---
SEC VO IMPRV PRG (COMSEC)............................	--	1,482	--	1,482	--	1,482	--	---	--	---
DED LOOP ENCRYP DEV KG-84............................	--	11,408	--	11,408	--	11,408	--	---	--	---
ADDS COMSEC KEY GENERATOR (KG-87)....................	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
COMSEC MODULE, TSEC/KGV-13	--	---	--	---	--	---	--	---	--	---
FREQ MODULE, KGV-10/TSEC	--	---	--	---	--	---	--	---	--	---
ADDS COMSEC KOK-13	--	---	--	---	--	---	--	---	--	---
TSEC/KGV-11/SECURE MODULE	--	1,200	--	1,200	--	1,200	--	---	--	---
COF ITEMS LESS THAN 2.0M (COMSEC)	--	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2.0M (COMSEC)	--	6,035	--	6,035	--	6,035	--	---	--	---
TELECOMM EQUIP - BASE COMM										
INFORMATION SYSTEMS CONUS/WESTERN HEMISPHE	--	18,514	--	18,514	--	18,514	--	---	--	---
LOCAL AREA NETWORK (LAN)	--	495	--	495	--	495	--	---	--	---
INFORMATION SYSTEMS (EUCOM)	--	8,892	--	8,892	--	8,892	--	---	--	---
INFORMATION SYSTEMS (PACOM)	--	1,681	--	1,681	--	1,681	--	---	--	---
INFO SYS-MCA SUPPORT	--	19,346	--	8,546	--	19,346	--	---	--	+10,800
PENTAGON TELECOM CTR (PTC)	--	1,186	--	1,186	--	1,186	--	---	--	---
ARMY PRINTING AND BINDING EQUIPMENT	--	2,972	--	2,972	--	2,972	--	---	--	---
TMDE FOR TELECOMM										
CALIBRATION SETS EQUIPMENT	--	14,426	--	14,426	--	8,600	--	-5,826	--	-5,826
TMDE MODERNIZATION	--	22,608	--	22,608	--	22,608	--	---	--	---
OTHER ELECT SYS/EQUIP - INTELLIGENCE										
4TH PSYOP GROUP	--	10,126	--	10,126	--	10,126	--	---	--	---
SINGLE SOURCE PROCESSOR - SIGINT	--	---	--	---	--	---	--	---	--	---
REAR ECHELON COMINT SYSTEM (RECS)	--	---	--	---	--	---	--	---	--	---
MOD IN-SVC EQ (INT SPT) TIARA	--	6,069	--	6,069	--	2,169	--	-3,900	--	-3,900

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
ITEMS LESS THAN $2.0M (INT SPT-C-E)	--	5,324	--	5,324	--	5,324	--	---	--	---
ITEMS LESS THAN $2.0M (FCI/S&IA-C-E)	--	---	--	---	--	---	--	---	--	---
OTHER ELECT SYS/EQUIP - GEN DEF INTEL										
OTHER ELECT SYS/EQUIP - AUTO DATA PROC										
STARNET/VIABLE	--	1,454	--	---	--	1,454	--	---	--	+1,454
AMC INFORMATION PROCESSING EQUIP (IPE)	--	15,736	--	15,736	--	8,000	--	-7,736	--	-7,736
ADV FIELD ARTILLERY TACT DATA SYS	--	7,395	--	---	--	7,395	--	---	--	+7,395
ARMY DATA DISTRIBUTION SYSTEM-ADDS	--	48,817	--	---	--	---	--	-48,817	--	---
TRADOC AUTOMATION	--	4,236	--	---	--	4,236	--	---	--	+4,236
LIFE CYCLE SOFTWARE SUP. (LCSS)	--	498	--	498	--	498	--	---	--	---
SUPERCOMPUTERS	--	---	--	---	--	---	--	---	--	---
EUSA-C3I INITIATIVES	--	7,196	--	7,196	--	7,196	--	---	--	---
ACQN INFORMATION MANAGEMENT	--	2,867	--	2,867	--	2,867	--	---	--	---
HQ AUTOMATION	--	27,690	--	7,690	--	7,690	--	-20,000	--	---
INFO PROC EQUIP	--	6,056	--	---	--	6,056	--	---	--	+6,056
MEDICAL AUTOMATION SYSTEMS	--	1,870	--	1,870	--	1,870	--	---	--	---
PERSONNEL AUTOMATION SYSTEMS	--	8,404	--	8,404	--	---	--	-8,404	--	-8,404
TRAINING AUTOMATION SYSTEMS	--	988	--	---	--	988	--	---	--	+988
LOGISTICS AUTOMATION SYSTEMS	--	11,213	--	11,213	--	11,213	--	---	--	---
RESERVE COMPONENT AUTOMATION SYSTEMS	--	---	--	---	--	---	--	---	--	---
ARMY RESERVES HQ INFO SYSTEMS	--	6,099	--	6,099	--	6,099	--	---	--	---
FORWARD ENTRY DEVICE	--	24,558	--	24,558	--	11,358	--	-13,200	--	-13,200
MANUEVER CONTROL SYS	--	13,914	--	13,914	--	13,914	--	---	--	---

HOUSE REDUCTIONS

The Committee agrees with the following reductions proposed in the House report:

[In thousands of dollars]

	Budget request	Committee recommendation	Change from budget
Army data distribution	48,817		−48,817
HQ automation	27,690	7,690	−20,000
Small aerostat surveillance system	3,483		−3,483

COMMITTEE RECOMMENDED ADJUSTMENTS

TACTICAL AND SUPPORT VEHICLES

Truck SLEP Program.—The Army's tactical wheeled vehicle master plan called for a service life extension program for 2½-ton trucks starting in 1993, and for 5-ton trucks starting in 1995. The Committee believes that the deteriorating condition of current trucks may justify an acceleration of those service life extension programs. The Committee requests the Secretary of the Army to provide to the House and Senate Committees on Appropriations and Armed Services by March 1, 1990, a plan to refurbish 2½-ton and 5-ton trucks beginning in fiscal years 1992 and 1993 respectively. The plan should include refurbishment of trucks in both the Active and the Reserve component fleets.

High mobility multipurposed wheeled vehicle [HMMWV] trailers.—The Committee understands the Army is developing an operational and organizational plan to identify requirements for trailers for the HMMWV. Individual units have tested and acquired off-the-shelf trailers compatible with the HMMWV. The Committee believes the Army should carefully evaluate available, nondevelopment item [NDI] trailers to meet this requirement prior to initiating any research and development effort to design a new, Army unique, trailer.

COMMUNICATIONS AND ELECTRONICS EQUIPMENT

SINCGARS radios.—The Committee has been concerned for several years with the need for interoperability of the various types of SINCGARS radios. Operational testing of the integrated communications security radio is scheduled for April 1990.

The budget request, which has recently been amended as part of the President's drug interdiction plan, included funds for a production option based on the assumption that full rate production would be initiated in May 1989. After the budget request was submitted, the Secretary of the Army decided that the full rate decision would be made after the completion of operational testing. The Committee commends the Secretary for not continuing along the potentially risky path of production in advance of operational testing.

Given the availability of prior year funds to support the program and the decision to limit production to 730 units per month, sufficient funds are available to support production through fiscal year 1990. Therefore, the Committee does not recommend the appropriation of funds for the SINCGARS program in fiscal year 1990.

Funds were also requested for a second source production contract, scheduled to be awarded in December 1990. This proposed schedule does not require fiscal year 1990 funds. Two other programs are also affected by the decision to defer rate production: BECS and Air Force procurement of SINCGARS. Both have been reduced commensurately.

SouthCom C^3 upgrade.—The Committee believes that this program is integral to successful drug interdiction, and therefore recommends funding within the Drug Interdiction Program.

SouthCom intelligence management system.—The Committee believes that this program, like the command and control upgrade, is integral to successful drug interdiction, and, therefore, recommends funding within the Drug Interdiction Program.

Calibration sets equipment.—Procurement of one of the items funded in this line, oscilloscopes, has been delayed. Sufficient prior year funds are available to continue the program in fiscal year 1990. Therefore, the Committee recommends appropriation of $8,600,000 for calibration sets, a reduction of $5,826,000 from the budget request.

Army Material Command information processing equipment.—In the past, awards planned for early in the fiscal year have slipped to the end of the fiscal year, with commensurate delay in planned deliveries. Approximately one-half of the requested funding for fiscal year 1990 has been deleted. The Committee recommends an appropriation of $8,000,000 for the procurement of information processing equipment to support the Army Material Command in fiscal year 1990.

Army data distribution system [ADDS].—This program, an integral and essential part of the tactical command and control system [ATCCS], the Army's planned upgrade to battlefield command and control, has suffered severe delays. Contract award originally planned for 1987 has yet to occur, and recent testing has identified problems that must be resolved. As the program is currently being restructured, it appears prudent to defer funding requested in fiscal year 1990. Sufficient prior year funds remain available to award a production contract after testing issues have been resolved.

Personnel automation system.—This program, which supports automation of various aspects of the Army's personnel management systems, has been delayed. Contract awards planned for early in fiscal year 1989 have not yet been awarded, leaving sufficient funds available to continue the program in fiscal year 1990. The Committee recommends the deletion of requested funding.

WWMCCS improvement system.—Funds were requested to support upgrades to the worldwide military command and control system. This program is being restructured. The Committee recommends the deletion of requested funding pending program definition. The program is discussed at greater length in the other procurement, Air Force appropriation section of this report.

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
CBT SVC SPT CONTROL SYS	--	1,025	--	1,025	--	1,025	--	---	--	---
CORPS/THEATER ADP SVC CTR (CTASC)	--	17,716	--	12,716	--	17,716	--	---	--	+5,000
TACTICAL ARMY CSS COMPUTER SYS (TACCS)	--	24,907	--	22,017	--	24,907	--	---	--	+2,890
TRACTOR BALL	--	999	--	999	--	999	--	---	--	---
TRACTOR CRASH	--	14,596	--	14,596	--	14,596	--	---	--	---
FAAD GBS	--	---	--	---	--	---	--	---	--	---
LOGMARS	--	8,007	--	8,007	--	8,007	--	---	--	---
WWMCCS INFORMATION SYSTEM (WIS)	--	31,923	--	31,923	--	---	--	-31,923	--	-31,923
UNIT LEVEL COMPUTER (ULC)	--	---	--	---	--	---	--	---	--	---
AUDIO VISUAL										
AFRTS (AUDIO VISUAL)	--	5,930	--	5,930	--	5,930	--	---	--	---
ITEMS LESS THAN $2.0M (A/V-C-E)	--	1,977	--	1,977	--	1,977	--	---	--	---
TACTICAL ELEC NEWS GATHERING EQUIP	--	---	--	---	--	---	--	---	--	---
OTHER ELECT SYS/EQUIP - ELECT WARFARE										
MCD IN-SVC EQUIP (EW)	--	8,401	--	8,401	--	8,401	--	---	--	---
ITEMS LESS THAN $2.0M (EW-C-E)	--	---	--	---	--	---	--	---	--	---
OTHER ELECT SYS/EQUIP - TACTICAL ELEC										
POWER SUPPLY, PP-6224	--	---	--	---	--	---	--	---	--	---
COMPUTER/INDICATOR, CP-696/PD	1,236	6,719	1,236	6,719	1,236	6,719	--	---	--	---
LT WT ARTILLERY METEOROLOGICAL SYS	--	---	--	---	--	---	--	---	--	---
PHYSICAL SECURITY EQUIPMENT	--	12,662	--	12,662	--	12,662	--	---	--	---
FACILITY INTRUSION DETECTION SYSTEM	2	5,740	2	5,740	2	5,740	--	---	--	---
NAVSTAR USER EQUIPMENT	--	27,021	--	27,021	--	17,021	--	-10,000	--	-10,000

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
POSITION AZIMUTH DETERMINING SYS (PADS)...............	--	---	--	---	--	---	--	---	--	---
NIGHT VISION GOGGLES................................	--	45,286	--	45,286	--	45,286	--	---	--	---
AIMING LIGHT, INFRARED, AN/PAQ-4.....................	--	1,464	--	1,464	--	1,464	--	---	--	---
NIGHT VISION SIGHT INDIV WPN AN/PVS-4................	5,852	14,920	5,852	14,920	5,852	14,920	--	---	--	---
RADIAC SET AN/VDR-2..................................	7,410	8,698	7,410	8,698	7,410	8,698	--	---	--	---
MULTIFUNCTION RADAR TRANSPONDER BEACON...............	40	2,175	40	2,175	40	2,175	--	---	--	---
SMALL AEROSTAT SURVEILLANCE SYSTEM...................	--	3,483	--	---	--	---	--	-3,483	--	---
ELECTRONIC MAINTENANCE SHOPS.........................	--	---	--	---	--	---	--	---	--	---
MODIFICATION OF IN-SERVICE EQ (TAC EL)...............	--	37,220	--	37,220	--	11,220	--	-26,000	--	-26,000
ITEMS LESS THAN $2.0M (TACT ELEC-C-E)................	--	1,581	--	1,581	--	1,581	--	---	--	---
TMDE FOR TACTICAL ELECTRONICS										
INTERMEDIATE FORWARD TEST EQUIP......................	--	39,679	--	39,679	--	39,679	--	---	--	---
TMDE FOR STE/ICE.....................................	--	---	--	---	--	---	--	---	--	---
CORE ELECTRONIC AUTO TEST (STE-X)....................	30	1,963	30	1,963	30	1,963	--	---	--	---
OTHER ELECT SYS/EQUIP - SUP EQ AND FAC										
SPARES AND REPAIR PARTS..............................	--	316,319	--	295,019	--	304,819	--	-11,500	--	+9,800
SPECIAL PROGRAMS.....................................	--	72,457	--	42,457	--	37,457	--	-35,000	--	-5,000
PR ENH CAP INV PR/QWK RT INV PR(PECIP/QRIP...........	--	14,748	--	14,748	--	14,748	--	---	--	---
PRODUCTION BASE SUPPORT (C-E)........................	--	9,629	--	9,629	--	9,629	--	---	--	---
TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT.....		2,459,768		2,426,714		1,936,224		-523,544		-490,490

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER SUPPORT EQUIPMENT										
CHEMICAL DEFENSIVE EQUIPMENT										
DECONTAMINATE APP PWR DR LT WT M17......................	--	---	--	---	--	---	--	---	--	---
MASK, PROTECTIVE, NBC..................................	--	56,030	--	57,030	--	56,030	--	---	--	-1,000
IMPROVED DRINKING SYSTEM...............................	--	---	--	---	--	---	--	---	--	---
MASK, ACFT...	750	9,878	750	9,878	750	9,878	--	---	--	---
CHEMICAL AGENT MONITOR.................................	3,307	19,757	3,307	19,757	2,000	12,000	-1,307	-7,757	-1,307	-7,757
SIMP COLL PROT EQUIP M20...............................	928	6,201	928	6,201	928	6,201	--	---	--	---
RECON SYSTEM, NBC......................................	14	26,037	14	26,037	14	26,037	--	---	--	---
BRIDGING EQUIPMENT										
LIGHT ASSAULT BRIDGE...................................	--	3,939	--	3,939	--	3,939	--	---	--	---
ITEMS LESS THAN $2.0M(BRIDGING)........................	--	786	--	786	--	786	--	---	--	---
ENGINEER (NON-CONSTRUCTION) EQUIPMENT										
DISPENSER, MINE XM139..................................	59	10,966	59	10,966	59	10,966	--	---	--	---
MARKING SYS, CLEAR LANE................................	--	---	--	---	--	---	--	---	--	---
DETECTING SET, MINE, AN/PSS-12.........................	--	---	--	---	--	---	--	---	--	---
MINE PLOW(BLADE).......................................	--	---	--	---	--	---	--	---	--	---
MINE CLEARING ROLLER...................................	--	---	--	---	--	---	--	---	--	---
M-9 ARMORED COMBAT EARTHMOVER (ACE)....................	132	61,763	132	61,763	132	61,763	--	---	--	---
ITEMS LESS THAN $2.0M(ENG NON-CONST)...................	--	---	--	---	--	---	--	---	--	---
COMBAT SERVICE SUPPORT EQUIPMENT										
AIR CONDITIONERS VARIOUS SIZE/CAPACITY.................	--	6,888	--	6,888	--	6,888	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
FIELD KITCHEN,MOBILE, TRL MTD	--	---	--	10,000	--	---	--	---	--	-10,000
RIGID WALL SHELTER CMD POST ANNEX	64	4,790	64	4,790	64	4,790	--	---	--	---
DIVING EQUIPMENT	--	1,959	--	1,959	--	1,959	--	---	--	---
FIRETRUCKS	--	---	--	---	--	---	--	---	--	---
HEATER DUCT TYPE, 250,000/400,000 BTU	--	---	--	---	--	---	--	---	--	---
LAUNDRY UNIT/TRL MTD	--	---	--	---	--	---	--	---	--	---
ARMY PRINTING AND BINDING EQUIPMENT	--	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2.0M (CSS-EQ)	--	5,253	--	5,253	--	5,253	--	---	--	---
MOD IN-SVC EQUIP (CSE)	--	796	--	796	--	796	--	---	--	---
SOF ITEMS LESS THAN 2.0M (CSS-EQ)	--	692	--	692	--	692	--	---	--	---
PETROLEUM EQUIPMENT										
TANK ASSEMBLY FAB COLL POL 50000 G	181	2,288	181	2,288	181	2,288	--	---	--	---
TANK ASSEMBLY FAB COLLAPSIBLE POL 10000G	119	1,106	119	1,106	119	1,106	--	---	--	---
TANK/PUMP UNIT LIQ DISP F/TRK MOUNTING	332	2,963	332	2,963	332	2,963	--	---	--	---
LABORATORY, PETROLEUM, SEMI-TRLR MTD	2	1,470	2	1,470	2	1,470	--	---	--	---
SWA PETROLEUM DISTRIBUTION SYSTEM	--	42,093	--	42,093	--	20,000	--	-22,093	--	-22,093
ITEMS LESS THAN $2.0M (POL)	--	1,469	--	1,469	--	1,469	--	---	--	---
WATER EQUIPMENT										
WATER PURIF UNIT REV OS 3000 GPH	37	14,309	37	14,309	--	---	-37	-14,309	-37	-14,309
TANK FABRIC COLL WTR 3000 GAL (ONION)	669	1,082	669	1,082	669	1,082	--	---	--	---
ITEMS LESS THAN $2.0M (WATER EQ)	--	3,042	--	3,042	--	3,042	--	---	--	---
MEDICAL EQUIPMENT										
COMBAT SUPPORT MEDICAL	--	67,303	--	67,303	--	67,303	--	---	--	---
MEDICAL SUPPORT EQUIPMENT	--	58,645	--	58,645	--	58,645	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MAINTENANCE EQUIPMENT										
WELDING SHOP, TRAILER MTD..............................	20	600	20	600	20	600	--	---	--	---
SHOP EQ ELECTRICAL RPR SEMI-TRL MTD....................	--	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2.0M (MAINT EQ).......................	--	11,284	--	11,284	--	11,284	--	---	--	---
CONSTRUCTION EQUIPMENT										
SMALL EMPLACEMENT EXCAVATOR (SEE)......................	--	---	--	---	--	---	--	---	--	---
MOD IN-SVC EQ (CONST EQUIP)............................	--	1,988	--	1,988	--	1,988	--	---	--	---
ITEMS LESS THAN $2.0M (CONST EQUIP)....................	--	3,063	--	3,063	--	3,063	--	---	--	---
RAIL FLOAT CONTAINERIZATION EQUIPMENT										
LANDING, CRAFT, UTILITY................................	--	---	--	---	--	---	--	---	--	---
CAUSEWAY SYSTEMS.......................................	--	---	--	---	--	---	--	---	--	---
LARGE TUGBOAT.....................................	--	---	1	7,500	--	---	--	---	-1	-7,500
MOD IN-SVC EQ (FLOAT/RAIL).............................	--	1,713	--	1,713	--	1,713	--	---	--	---
ITEMS LESS THAN $2.0M (FLOAT/RAIL).....................	--	99	--	99	--	99	--	---	--	---
GENERATORS										
GENERATORS AND ASSOCIATED EQUIP........................	--	41,931	--	41,931	--	21,931	--	-20,000	--	-20,000
MATERIAL HANDLING EQUIPMENT										
TRUCK, FORK LIFT, DE, PT, RT, 6000 LB..................	281	21,321	281	21,321	281	21,321	--	---	--	---
TRUCK, FORK LIFT, DE, PT, RT, 4000 LB..................	302	14,115	302	14,115	302	14,115	--	---	--	---
65 TON CRANE...	---	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2.0M (MHE)............................	--	988	--	988	--	988	--	---	--	---
SPARES AND REPAIR PARTS................................	--	30,161	--	30,161	--	30,161	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
BASE LEVEL COM'L EQUIPMENT	--	27,655	--	22,655	--	27,655	--	---	--	+5,000
PROD ENHANCING CAPITAL INVEST PRGM	--	4,939	--	4,939	--	4,939	--	---	--	---
QUICK RETURN ON INVESTMENT PROGRAM	--	2,568	--	2,568	--	2,568	--	---	--	---
NON-CENTRALLY MANAGED ITEMS	--	---	--	---	--	---	--	---	--	---
PRODUCTION BASE SUPPORT (OTH)	--	15,337	--	15,337	--	15,337	--	---	--	---
OSD PRODUCTIVITY INVESTMENT FUNDING	--	34,119	--	34,119	--	20,248	--	-13,871	--	-13,871
MANUFACTURING METHODS AND TECHNOLOGY	--	8,955	--	8,955	--	8,955	--	---	--	---
SPECIAL EQUIPMENT FOR USER TESTING	--	18,077	--	18,077	--	18,077	--	---	--	---
HOST NATION SUPPORT - EUROPE	--	122,339	--	122,300	--	122,339	--	---	--	+39
NATIONAL TRAINING CTR SUP	--	30,903	--	30,903	--	30,903	--	---	--	---
TRAINING DEVICES, NONSYSTEM	--	140,275	--	140,275	--	107,535	--	-32,740	--	-32,740
SIMNET/CLOSE COMBAT TACTICAL TRAINER	--	13,524	--	13,524	--	13,524	--	---	--	---
AREA ORIENTED DEPOT UPGRADE	--	30,547	--	30,547	--	30,547	--	---	--	---
INDUSTRIAL/DEPOT MAINTENANCE EQUIPMENT	--	---	--	---	--	58,900	--	+58,900	--	+58,900
MODERNIZATION OF EQUIPMENT - O & M TRANSFER	--	---	--	---	--	59,100	--	+59,100	--	+59,100
CONTRACT TERMINATION AT ICPS	--	---	--	---	--	-125,300	--	-125,300	--	-125,300
PRIOR YEAR AUTHORIZATION CHANGES	--	---	--	---	--	---	--	---	--	---
CLASSIFIED PROGRAMS	--	143,044	--	113,773	--	130,544	--	-12,500	--	+16,771
ROUNDING ADJUSTMENT	--	---	--	---	--	---	--	---	--	---
TOTAL, OTHER SUPPORT EQUIPMENT		1,131,050		1,115,240		1,000,480		-130,570		-114,760
TOTAL, OTHER PROCUREMENT, ARMY		4,037,100		3,896,365		3,382,986		-654,114		-513,379

NAVSTAR GPS user equipment.—The Air Force's production award has slipped from second quarter 1989 to fourth quarter 1989. The General Accounting Office reports that the production milestone, planned for March 1989 has slipped to June 1990. The recommended reduction funds program at low rate initial production until the planned full rate decision. Therefore, the Committee recommends an appropriation of $17,021,000 for the procurement of NAVSTAR global positioning system user equipment in fiscal year 1990.

Night vision devices.—The Committee is concerned about the need to provide a strong technology base in the image amplification industry, particularly with the enormous requirement for night vision equipment. Currently negotiated contracts will supply less than one-half of the currently identified requirement for night vision devices, with the remaining procurement likely to stretch over many years. While there are currently several sources for these devices, repeated award of sole source contracts may have the effect of eliminating competition over the life of the program. In view of the hazards of night flying and the dramatically increased resolution of the generation III devices, it seems prudent for the Army to take all necessary steps to ensure that the industry as a whole remains vital. Therefore, the Committee strongly supports awards to more than one producer for this program of special interest. Any intention to limit award to a single source should be announced to the Committee.

The Committee recommends the appropriation of $45,286,000 for the procurement of night vision goggles in fiscal year 1990.

Modification of inservice equipment.—An additional $26,000,000 was requested in the amended budget submitted by President Bush to accelerate upgrades to the TPS-36 radar. The Army's proposed acquisition schedule would field the upgraded radar in fiscal year 1996. Procurement funding in 1990 is premature for this delivery schedule. The Committee does not recommend funding the acceleration of the TPS-36 radar, and therefore recommends an appropriation of $11,220,000 for modifications of inservice equipment in fiscal year 1990.

OTHER SUPPORT EQUIPMENT

Generators and associated equipment.—This program includes funds for various types of generators and equipment associated with those generators. Two areas, readiness incentives and items costing less than $2,000,000, show significant growth over the amount appropriated in 1989. Information provided by the Army indicates that this growth is due to assembly and test of equipment procured in prior years. This would appear to violate the full funding policy that procurement end items are to be fully funded in the year procured. Funding for each of these two areas is held to the fiscal year 1989 level. The Committee recommends an appropriation of $21,931,000 for the procurement of generators and related equipment in fiscal year 1990.

OSD productivity investment fund.—The Office of the Secretary of Defense productivity investment program, budgeted in the "Procurement, Defense Agencies" appropriation, funds the first 2 years of projects, which then are budgeted in the individual military department appropriations. Justification material provided by the Army shows a fiscal year 1990 requirement for only $20,248,000, rather than the $34,119,000 requested. Consequently, the Committee recommends the appropriation of $20,248,000 for the OSD productivity investment fund.

Nonsystem training devices.—The Committee supports the development and fielding of new training devices, believing that there is often substantial benefit to be derived from simulated training. However, in an era of fiscal constraint, the Committee cannot support the 35-percent growth requested in this program. Funding for nonsystem training devices is held to fiscal year 1989 spending levels plus inflation. The Committee recommends the appropriation of $107,535,000 for the procurement in fiscal year 1990 of training devices not associated with specific weapon systems.

Contract termination at inventory control points.—In a March 1989 report, the DOD inspector general stated that the Army does not have an effective contract termination procedure for excess spare and repair parts. The DOD inspector general states that, if the Army established effective termination policies and procedures, there would be a one-time savings of $35,800,000 and follow-on annual savings of $89,500,000. The House applied these savings to the Army's "Operation and maintenance" account. The Army has informed the Committee that the savings should be applied to procurement, where the contracts are funded, rather than to operation and maintenance. Therefore, the Committee has recommended an undistributed reduction of $125,300,000 to be applied to programs funded in the "Other procurement, Army" account. A list of the programs where savings can be realized is to be provided to the Committees on Appropriation of the House and Senate as soon as possible.

OTHER REDUCTIONS

Contract delays.—Several programs suffered contract delays which were serious enough that the funds provided in prior years would continue production through fiscal year 1990, reducing or eliminating the requirement for fiscal year 1990 funding. They include:

[In thousands of dollars]

	Budget request	Committee recommendation	Change from budget
Chemical agent monitor	19,757	12,000	−7,757
Southwest Asia petroleum distribution system	42,093	20,000	−22,093
Reverse osmosis water purification system (3000 gph)	14,309		−14,309

Spares and repair parts.—The Committee recommends that funding for the Army request for initial spares be reduced by $11,500,000 to align funding with Committee recommended adjustments to individual programs.

Other reductions.—The Committee recommends the following other adjustments. Adjustments to classified programs are discussed in the classified annex to this report.

[In thousands of dollars]

	Budget request	Committee recommendation	Change from budget
Mobile subscriber equip	984,719	884,719	−100,000
Intel support mods	6,069	2,169	−3,900
Forward entry device	24,558	11,358	−13,200
Classified programs	143,044	130,544	−12,500
Special programs	72,457	37,457	−35,000

HOUSE ADJUSTMENTS NOT RECOMMENDED

The Committee does not recommend accepting the following House adjustments:

[In thousands of dollars]

	Budget request	House recommendation	Committee recommendation
Tactical trailers and dolly sets	19,265	16,020	19,265
HMMWV	222,533	175,933	222,533
SUSV	28,351	20,351	28,351
Heavy equipment transporter	34,950	22,550	34,950
Ten-ton trucks	7,468		7,468
Spares and repair parts (support eq)	56,854	42,696	56,854
Tri-tac equipment	22,094		22,094
SOF mod radios	26,542	21,942	26,542
DSCS operations control system	20,748	10,748	20,748
SCOTT terminal	38,641		38,641
Information systems—MCA support	19,346	8,546	19,346
STARNET/VIABLE	1,454		1,454
Advanced field artillery tactical data system	7,395		7,395
TRADOC automation	4,326		4,326
Training automation systems	988		988
Corps/Theater ADP Service Center	17,716	12,716	17,716
Tactical Army CSS computer system	24,907	22,017	24,907
Information processing equipment	6,056		6,056
Nuclear, biological, and chemical protective mask	56,030	57,030	56,030
Field kitchen, trailer mounted		10,000	
Large tugboat		7,500	
Base level commercial equipment	27,655	22,655	27,655
Host nation support	122,339	122,300	122,339

AIRCRAFT PROCUREMENT, NAVY

Appropriations, 1989	$9,415,311,000
Budget estimate, 1990	8,826,100,000
House allowance	9,164,718,000
Committee recommendation	8,499,363,000

The Committee recommends an appropriation of $8,499,363,000, a decrease of $326,737,000 from the President's budget request and $665,355,000 below the House allowance.

This appropriation finances the construction, procurement, production, modification, and modernization of aircraft, including ordnance systems, ground support equipment, flight simulators, spare parts, accessories, and specialized equipment; and expansion of public and private plants.

COMMITTEE RECOMMENDED PROGRAM

The Committee recommendation provides for purchase of 119 fixed wing aircraft and helicopters for the Navy and Marines. This is the same number of fixed-wing aircraft, but 20 fewer helicopters than requested in the budget. Other adjustments to the program are based primarily on differences in recommended financing of these systems and related support. The Committee supports the termination of F-14D and V-22 production, in concert with the Senate passed authorization bill, but does not support the requested addition of CH-53 helicopters, because of greater uncertainty about the outcome of congressional action on the V-22 and the lack of adequate justification for increased procurement of CH-53E helicopters. The Committee has approved the request for multiyear authority of certain aircraft, because of the strong support of the Department of Defense. However, it is concerned with the low overall savings and the uncertainty of long-term requirements for specific aircraft levels. Considering the Navy's decision to curtail its carrier battlegroup force, it may be premature to recommend long-term funding decisions which support the larger force structure planned prior to the funding reductions requested in the amended fiscal year 1990 budget. Details of the Committee recommendations are listed in the table below and described in the text which follows.

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIRCRAFT PROCUREMENT, NAVY										
COMBAT AIRCRAFT										
BA-1 COMBAT AIRCRAFT										
EA-6B/REMFG (ELEC WARFARE) PROWLER....................	--	104,970	12	423,200	--	104,970	--	---	-12	-318,230
EA-6B/REMFG (ELEC WARFARE) PROWLER (AP-CY)............	--	24,890	--	24,890	--	24,890	--	---	--	---
AV-8B (V/STOL) HARRIER (MYP)..........................	24	461,225	24	461,225	24	428,225	--	-33,000	--	-33,000
AV-8B (V/STOL) HARRIER (MYP) (AP-CY)..................	--	29,868	--	29,868	--	29,868	--	---	--	---
F-14A/D/REMFG (FIGHTER) TOMCAT........................	6	688,640	24	1,263,636	6	655,140	--	-33,500	-18	-608,496
F-14A/D/REMFG (FIGHTER) TOMCAT (AP-CY)................	--	82,664	--	82,664	--	82,664	--	---	--	---
F/A-18 (FIGHTER) HORNET...............................	66	1,889,718	66	1,931,715	66	1,889,718	--	---	--	-41,997
F/A-18 PRIOR YEAR SAVINGS.............................	--	---	--	---	--	---	--	---	--	---
F/A-18 (FIGHTER) HORNET (AP-CY).......................	--	530,900	--	141,400	--	479,900	--	-51,000	--	+338,500
CH/MH-53E (HELO) SUPER STALLION.......................	23	359,307	14	244,100	3	62,000	-20	-297,307	-11	-182,100
CH/MH-53E (HELO) SUPER STALLION (AP-CY)...............	--	51,700	--	51,700	--	51,700	--	---	--	---
V-22 OSPREY...	--	---	--	---	--	---	--	---	--	---
V-22 OSPREY (AP-CY)...................................	--	---	--	157,000	--	---	--	---	--	-157,000
AH-1W (HELICOPTER) SEA COBRA..........................	--	---	--	---	--	---	--	---	--	---
SH-60B (ASW HELICOPTER) SEAHAWK.......................	6	145,443	6	145,443	6	145,443	--	---	--	---
SH-60B (ASW HELICOPTER) SEAHAWK (AP-CY)...............	--	41,900	--	33,200	--	33,100	--	-8,800	--	-100
SH-60F CV (ASW HELICOPTER)............................	--	25,025	--	25,025	--	25,025	--	---	--	---
SH-60F CV (ASW HELICOPTER) (AP-CY)....................	--	54,027	--	31,027	--	26,627	--	-27,400	--	-4,400
E-2C (EARLY WARNING) HAWKEYE	4	261,183	4	261,183	4	261,183	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
E-2C (EARLY WARNING) HAWKEYE (AP-CY)	--	224,987	--	30,487	--	224,987	--	---	--	+194,500
TOTAL, COMBAT AIRCRAFT		4,976,447		5,337,763		4,525,440		-451,007		-812,323
TRAINER AIRCRAFT										
BA-3 TRAINER AIRCRAFT										
T-44A	5	12,023	5	12,023	5	12,023	--	---	--	---
T-45TS GOSHAWK	--	153,114	--	153,114	--	96,484	--	-56,630	--	-56,630
T-45TS GOSHAWK (AP-CY)	--	---	--	---	--	---	--	---	--	---
TOTAL, TRAINER AIRCRAFT		165,137		165,137		108,507		-56,630		-56,630
OTHER AIRCRAFT										
BA-4 OTHER AIRCRAFT										
E-6A	--	---	--	---	--	---	--	---	--	---
HH-60H	--	---	--	---	--	---	--	---	--	---
TOTAL, OTHER AIRCRAFT		---		---		---		---		---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MODIFICATION OF AIRCRAFT										
BA-5 MODIFICATION OF AIRCRAFT										
A-3 SERIES	--	100	--	100	--	100	--	---	--	---
A-4 SERIES	--	6,339	--	6,339	--	6,339	--	---	--	---
A-6 SERIES	--	63,387	--	136,387	--	63,387	--	---	--	-73,000
A-6 PRIOR YEAR SAVINGS	--	---	--	---	--	---	--	---	--	---
EA-6 SERIES	--	26,033	--	26,033	--	26,033	--	---	--	---
A-7 SERIES	--	62	--	62	--	62	--	---	--	---
AV-8 SERIES	--	100	--	100	--	100	--	---	--	---
F-4 SERIES	--	98	--	98	--	98	--	---	--	---
RF-4 SERIES	--	100	--	100	--	100	--	---	--	---
F-14 SERIES	--	16,038	--	16,038	--	16,038	--	---	--	---
F-5 SERIES	--	100	--	100	--	100	--	---	--	---
ES-3 SERIES	--	107,966	--	107,966	--	107,966	--	---	--	---
OV-10 SERIES	--	10,858	--	10,858	--	10,858	--	---	--	---
F-18 SERIES	--	4,717	--	4,717	--	4,717	--	---	--	---
H-46 SERIES	--	3,898	--	3,898	--	3,898	--	---	--	---
H-53 SERIES	--	29,721	--	29,721	--	29,721	--	---	--	---
SH-60 SERIES	--	599	--	599	--	599	--	---	--	---
VH-60 SERIES	--	5,852	--	5,852	--	5,852	--	---	--	---
H-1 SERIES	--	48,115	--	48,115	--	48,115	--	---	--	---
H-2 SERIES	--	24,071	--	24,071	--	24,071	--	---	--	---
H-3 SERIES	--	10,333	--	10,333	--	10,333	--	---	--	---
EP-3 SERIES	--	13,752	--	13,752	--	13,752	--	---	--	---
P-3 SERIES	--	30,725	--	30,725	--	30,725	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
S-3 SERIES	--	56,135	--	106,135	--	56,135	--	---	--	-50,000
E-2 SERIES	--	71,720	--	71,720	--	71,720	--	---	--	---
TRAINER A/C SERIES	--	2,310	--	2,310	--	2,310	--	---	--	---
EC-130 SERIES	--	---	--	---	--	---	--	---	--	---
C-130 SERIES	--	3,129	--	3,129	--	3,129	--	---	--	---
FEWSG	--	269	--	269	--	269	--	---	--	---
CARGO/TRANSPORT A/C SERIES	--	1,552	--	1,552	--	1,552	--	---	--	---
E-6A	--	7,512	--	7,512	--	7,512	--	---	--	---
VARIOUS	--	---	--	---	--	---	--	---	--	---
POWER PLANT CHANGES	--	5,959	--	5,959	--	5,959	--	---	--	---
MISC FLIGHT SAFETY CHANGES	--	999	--	999	--	999	--	---	--	---
COMMON ECM EQUIPMENT	--	46,781	--	46,781	--	46,781	--	---	--	---
COMMON AVIONICS CHANGES	--	1,427	--	1,427	--	1,427	--	---	--	---
TOTAL, MODIFICATION OF AIRCRAFT		600,757		723,757		600,757		---		-123,000
AIRCRAFT SPARES AND REPAIR PARTS										
BA-6 AIRCRAFT SPARES										
SPARES AND REPAIR PARTS	--	1,322,707	--	1,177,707	--	1,322,707	--	---	--	+145,000
TOTAL, AIRCRAFT SPARES AND REPAIR PARTS		1,322,707		1,177,707		1,322,707		---		+145,000

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE										
BA-7 AIRCRAFT SUPPORT EQUIPMENT AND FAC										
COMMON GROUND EQUIPMENT..............................	--	438,603	--	438,603	--	438,603	--	---	--	---
AIRCRAFT INDUSTRIAL FACILITIES......................	--	32,846	--	32,846	--	32,846	--	---	--	---
WAR CONSUMABLES......................................	--	2,707	--	2,707	--	2,707	--	---	--	---
OTHER PRODUCTION CHARGES.............................	--	35,462	--	34,764	--	35,462	--	---	--	+698
SPECIAL SUPPORT EQUIPMENT............................	--	47,042	--	47,042	--	47,042	--	---	--	---
CLASSIFIED PROGRAMS..................................	--	1,204,392	--	1,204,392	--	1,204,392	--	---	--	---
TOTAL, AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE.....		1,761,052		1,760,354		1,761,052		---		+698
MODERNIZATION OF EQUIPMENT, O&M TRANSFER.............	--	---	--	---	--	180,900	--	+180,900	--	+180,900
UNOBLIGATED PRIOR YEAR FUNDS.........................	--	---	--	---	--	---	--	---	--	---
PRIOR YEAR AUTHORIZATION CHANGES.....................	--	---	--	---	--	---	--	---	--	---
TOTAL, AIRCRAFT PROCUREMENT, NAVY....................		8,826,100		9,164,718		8,499,363		-326,737		-665,355

COMMITTEE RECOMMENDED ADJUSTMENTS

EA-6B Prowler.—The House deferred the initial production funding for remanufacturing the EA-6B carrier based electronic warfare aircraft. Instead the House recommended an increase of $318,230,000 to produce 12 new aircraft. The Committee recommends $104,970,000, as requested, to fund startup costs on the EA-6B remanufacturing program and does not recommend funding for new production aircraft.

AV-8B Harrier.—The Committee recommends $428,225,000 for purchase of 21 AV-8B vertical/short takeoff and landing attack aircraft and 3 TAV-8B trainers, a reduction of $33,000,000 from the amount requested. The allowance is based on two pricing adjustments. The budget reduces the numbers of TAV-8B's to be procured from the levels funded in fiscal year 1989, but has not accounted for this change in the pricing of the fiscal year 1990 request. In addition, the budget projects an increase of $20,568,000 for AV-8B airframes based on anticipated cost increases which would arise from a reduction in the number of airframes produced (a cost increase which would be partially offset by the effects of learning curve on production costs between 1988 and 1990), yet there has been no change in the quantities procured annually. As such, there should be no increased costs associated with quantity changes.

F-14 Tomcat.—The budget requests $688,640,000 for remanufacturing 6 F-14A fighters into the F-14D configuration, and for the costs associated with terminating new production of F-14D aircraft. The Committee recommends $655,140,000 for this effort, a reduction of $33,500,000 based on an analysis of requirements by the General Accounting Office. The recommendation is consistent with language included in the Senate-passed authorization bill which terminates new production of the F-14 aircraft.

The House recommends $1,263,636,000 for purchase of 24 new F-14D aircraft and denies funding for the remanufacturing program. The House also recommends terminating F-14 production after this final purchase. The Committee believes it is necessary to begin the remanufacturing program, because of the large number of F-14A aircraft in the fleet today which require upgrading. The Committee does not believe it is prudent to continue buying new production aircraft, given current F-14 inventories, fiscal constraints and, more particularly, the extraordinary expense of newly manufactured F-14D aircraft. Moreover, the Committee does not agree with the House determination that the needed remanufacturing program should be foregone in order to procure new F-14D aircraft.

F/A-18 Hornet.—The Committee recommends $1,889,718,000 for production of 66 F/A-18 fighter/attack aircraft, the same as requested and $41,997,000 below the House allowance. An additional $479,900,000 is recommended for advance procurement, a reduction of $51,000,000 and $338,500,000 above the House. The allowance includes the funds associated with establishing a multiyear procurement of the F/A-18 aircraft, but reduces the overall amount based on pricing assumptions.

CH-53E Chinook.—Funding of $62,000,000 is recommended for procurement of three CH-53 Chinook helicopters for the Marine

Corps. This allowance mirrors the original request in the Reagan budget, and does not support the increase of 20 helicopters included in the amended budget request as replacements for the terminated V–22. Considering that continuation of research and development funding for the V–22 is supported elsewhere in this report, the Committee believes it is not prudent to increase CH–53E purchases at this time. In addition, the Committee is concerned that Marine aviation force structure reductions may be necessary in the coming years and that these reductions could reduce the total requirement for CH–53E helicopters, even if the V–22 program is terminated prior to production. The recommended funding is $297,307,000 below the budget request based on these assumptions. The House provides $244,100,000 for 14 CH–53E helicopters and recommends advance procurement funding to continue the V–22. The Committee does not agree that funding both programs is an affordable option.

V–22 Osprey.—The Committee recommends no funding for continued advance procurement of the V–22 program. This recommendation is consistent with the termination of the system following full-scale development as approved in the Senate-passed authorization bill. The House provided $157,000,000 of advance funding for the V–22.

In fiscal year 1989, Congress appropriated $335,332,000 for advance procurement for the first 12 production aircraft. In excess of $250,000,000 remains unexpended for this purpose as fiscal year 1990 begins. The Committee is not aware of any additional valid advance procurement requirement for fiscal year 1990 funding for the V–22, even if production were to continue.

SH–60B and SH–60F advance procurement.—The budget proposes a multiyear procurement strategy for purchase of SH–60B and SH–60F antisubmarine helicopters. However, the budget also deleted funding for the purchase of any SH–60F helicopters pending further testing. The Committee does not believe it is prudent to recommend multiyear contracting for a program on which production has been deferred. Therefore, the Committee reduces the request for SH–60B by $8,800,000 and the SH–60F by $27,400,000 based on the denial of multiyear authority. The Committee understands that additional funding may be required to safeguard a contract option on the fifth production lot on the SH–60F helicopter. If this is correct and the Navy believes it should protect the contract option, then it should consider reprogramming the necessary resources into this program under existing procedures.

E–2C Hawkeye advance procurement.—The budget requests $224,987,000 for advance procurement to initiate multiyear procurement for carrier based E–2C early warning aircraft. The Committee recommends the amount requested. The allowance approves multiyear procurement authority for the E–2C.

T–45 Goshawk.—The Committee recommends $96,484,000 for purchase of support equipment for the T–45 trainer. This is $56,630,000 below the budget request. The T–45 program is experiencing serious design problems. The amended budget recognizes this and has deferred continued production of the T–45 until the matter is resolved. The amended request provides funds for nonrecurring costs and ancillary equipment related to T–45. The allowance denies the increase above amounts funded in fiscal year 1989 for peculiar training equipment. Increases for this effort should await a stable design.

A-6E block upgrade.—The budget requests $63,387,000 for modifications to the A-6E attack aircraft; the Committee recommends this amount. The House would provide an increase of $73,000,000 to expedite block I and block II upgrades. The Committee disagrees with the increase proposed by the House in absence of further review and approval for this program by the Department of Defense.

S-3 modifications.—The Committee recommends $56,135,000 for S-3 modifications as requested. The House allowance increases this program by $50,000,000 to accelerate the program.

Spares and repair parts.—The House recommends a reduction of Navy spare parts by $145,000,000 based on slow expenditures. The Committee understands that the Navy has made significant improvement in its expenditure of funds for spare parts over the past several years, and, therefore, recommends $1,322,707,000, the amount requested.

Other production charges.—The Committee recommends $35,462,000 for other production charges, as requested. This is $698,000 above the House allowance.

WEAPONS PROCUREMENT, NAVY

Appropriations, 1989	$6,154,032,000
Budget estimate, 1990	5,725,000,000
House allowance	5,816,879,000
Committee recommendation	3,864,154,000

The Committee recommends an appropriation of $3,864,154,000, a decrease of $1,860,846,000 below the President's request and $1,952,725,000 less than the House allowance.

This appropriation finances the construction, procurement, production, modification, and modernization of strategic and tactical missiles, torpedoes, other weapons, and related support equipment, including spare parts and accessories, and the expansion of public and private plants.

COMMITTEE RECOMMENDED PROGRAM

The following table details the Committee recommendation in comparison to the budget request and the House allowance:

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
WEAPONS PROCUREMENT, NAVY										
BALLISTIC MISSILES										
POSEIDON	--	---	--	---	--	---	--	---	--	---
TRIDENT I	--	1,196	--	1,196	--	1,196	--	---	--	---
TRIDENT II	63	1,598,507	63	1,598,507	--	---	-63	-1,598,507	-63	-1,598,507
TRIDENT II (AP-CY)	--	216,131	--	216,131	--	---	--	-216,131	--	-216,131
SUPPORT EQUIPMENT AND FACILITIES										
MISSILE INDUSTRIAL FACILITIES	--	2,331	--	2,331	--	2,331	--	---	--	---
TOTAL, BALLISTIC MISSILES		1,818,165		1,818,165		3,527		-1,814,638		-1,814,638
OTHER MISSILES										
STRATEGIC MISSILES										
TOMAHAWK	400	572,161	400	572,161	400	572,161	--	---	--	---
TOMAHAWK (AP-CY)	--	---	--	---	--	---	--	---	--	---
TACTICAL MISSILES										
AIM/RIM-7 F/M SPARROW	--	---	--	---	--	---	--	---	--	---
AMRAAM	150	129,785	85	108,100	85	108,100	-65	-21,685	--	---
PHOENIX	420	376,457	420	326,457	420	323,457	--	-53,000	--	-3,000
PHOENIX (AP-CY)	--	---	--	---	--	---	--	---	--	---
HARPOON	190	214,141	190	214,141	190	214,141	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AGM-88A (HARM)	1,162	292,174	1,362	337,474	1,162	274,674	--	-17,500	-200	-62,800
SM-2 MR	590	310,619	1,200	482,619	940	390,419	+350	+79,800	-260	-92,200
RAM	580	90,265	260	46,665	580	90,265	--	---	+320	+43,600
HELLFIRE	1,098	50,444	1,098	50,444	1,098	50,444	--	---	--	---
PENGUIN	64	39,634	64	39,634	64	39,634	--	---	--	---
PENGUIN (AP-CY)	--	3,719	--	3,719	--	3,719	--	---	--	---
MAVERICK MISSILES (MYP)	560	59,951	560	59,951	560	59,951	--	---	--	---
MAVERICK MISSILES (MYP) (AP-CY)	--	6,500	--	---	--	6,500	--	---	--	+6,500
TACIT RAINBOW	--	---	--	---	--	---	--	---	--	---
AERIAL TARGETS	--	124,715	--	124,715	--	124,715	--	---	--	---
DRONES AND DECOYS	--	---	--	25,000	--	25,000	--	+25,000	--	---
OTHER MISSILE SUPPORT	--	14,631	--	14,631	--	14,631	--	---	--	---
MODIFICATION OF MISSILES										
TOMAHAWK MODS	--	3,330	--	3,330	--	3,330	--	---	--	---
AIM/RIM-7E/F SPARROW MOD	--	28,950	--	---	--	28,950	--	---	--	+28,950
SIDEWINDER MODS	--	---	--	---	--	---	--	---	--	---
PHOENIX MODS	--	---	--	---	--	---	--	---	--	---
AGM-84A HARPOON MOD	--	12,819	--	12,819	--	12,819	--	---	--	---
STANDARD MISSILES MOD	--	11,717	--	11,717	--	11,717	--	---	--	---
SUPPORT EQUIPMENT AND FACILITIES										
WEAPONS INDUSTRIAL FACILITIES	--	16,836	--	16,836	--	21,336	--	+4,500	--	+4,500
FLEET SATELLITE COMMUNICATIONS (MYP)	2	171,817	2	139,117	2	171,817	--	---	--	+32,700

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
FLEET SATELLITE COMMUNICATIONS (MYP) (AP-CY)	--	141,000	--	141,000	--	141,000	--	---	--	---
DEFENSE METEOROLOGICAL SATELLITE PROGRAM	--	---	--	---	--	---	--	---	--	---
ORDNANCE SUPPORT EQUIPMENT										
ORDNANCE SUPPORT EQUIPMENT	--	111,672	--	111,672	--	111,672	--	---	--	---
TOTAL, OTHER MISSILES		2,783,337		2,842,202		2,800,452		+17,115		-41,750
TORPEDOES AND RELATED EQUIPMENT										
MK-48 ADCAP TORPEDO	320	493,642	320	493,642	260	438,642	-60	-55,000	-60	-55,000
SEA LANCE	--	1,799	--	1,799	--	1,799	--	---	--	---
MK-50 ALWT	200	269,130	200	271,130	200	269,130	--	---	--	-2,000
MK-50 ALWT (AP-CY)	--	---	--	---	--	---	--	---	--	---
ASW TARGETS	--	12,983	--	12,983	--	12,983	--	---	--	---
ASROC	--	9,282	--	9,282	--	9,282	--	---	--	---
VERTICAL LAUNCHED ASROC	--	---	--	---	--	---	--	---	--	---
MOD OF TORPEDOES AND RELATED EQUIP										
MOBILE MINE MK-67	--	---	--	---	--	---	--	---	--	---
TORPEDO MK-46 MODS	--	8,682	--	8,682	--	8,682	--	---	--	---
SWIMMER WEAPONS SYSTEMS (SOF)	--	971	--	971	--	971	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SUPPORT EQUIPMENT										
TORPEDO SUPPORT EQUIPMENT..............................	--	39,002	--	39,002	--	39,002	--	---	--	---
ASW RANGE SUPPORT......................................	--	24,205	--	24,205	--	24,205	--	---	--	---
TOTAL, TORPEDOES AND RELATED EQUIPMENT..............		859,696		861,696		804,696		-55,000		-57,000
OTHER WEAPONS										
GUNS AND GUN MOUNTS										
MK-15 CLOSE IN WEAPONS SYSTEM..........................	20	59,990	25	74,990	20	59,990	--	---	-5	-15,000
MK-75 76MM GUN MOUNT...................................	2	7,177	2	7,177	2	7,177	--	---	--	---
MK-19/40MM MACHINE GUN.................................	25	523	25	523	--	---	-25	-523	-25	-523
25MM GUN MOUNT...	22	4,930	22	4,930	22	4,930	--	---	--	---
SMALL ARMS AND WEAPONS.................................	--	9,553	--	9,553	--	9,553	--	---	--	---
SMALL ARMS AND WEAPONS - (SOF).........................	--	1,228	--	1,228	--	1,228	--	---	--	---
MODIFICATION OF GUNS AND GUN MOUNTS										
CIWS MODS..	--	63,771	--	63,771	--	63,771	--	---	--	---
5 /54 GUN MOUNT MODS...................................	--	9,240	--	9,240	--	9,240	--	---	--	---
3"/50 GUN MOUNT MODS...................................	--	279	--	279	--	279	--	---	--	---
MK 75 76MM GUN MOUNT MODS..............................	--	5,812	--	5,812	--	5,812	--	---	--	---
MODS UNDER $2,000,000..................................	--	2,430	--	2,430	--	2,430	--	---	--	---
SUPPORT EQUIPMENT										
GUN SUPPORT EQUIPMENT..................................	--	4,428	--	4,428	--	4,428	--	---	--	---
SPARES AND REPAIR PARTS................................	--	94,441	--	110,455	--	94,441	--	---	--	-16,014

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
TRANSFER TO ENTERPRISE (SCN).........................	--	---	--	---	--	-7,800	--	-7,800	--	-7,800
PRIOR YEAR AUTHORIZATION CHANGES.....................	--	---	--	---	--	---	--	---	--	---
TOTAL, OTHER WEAPONS.................................		263,802		294,816		255,479		-8,323		-39,337
TOTAL, WEAPONS PROCUREMENT, NAVY.....................		5,725,000		5,816,879		3,864,154		-1,860,846		-1,952,725

COMMITTEE RECOMMENDED ADJUSTMENTS

BALLISTIC MISSILES

Trident II D-5 missile.—The Navy's amended budget submission requests $1,598,507,000 for the procurement of 66 Trident II (D-5) missiles in fiscal year 1990 and $216,131,000 in advance procurement for future year buys.

While the Committee continues its strong support of the development and deployment of the D-5 missile system, it is very concerned with the progress of the operational test and evaluation [OT&E] flight testing to date. Two of the first three submarine launched performance evaluation missile [PEM] flight tests have been catastrophic failures indicating severe design flaws in the system. The Navy has informed the Committee that prior to further flight testing, an investigation as to the cause of the latest failure must be conducted and formulation of an engineering solution must be completed.

The Committee notes that Congress has already authorized and appropriated over $5,900,000,000 for 153 production missiles since fiscal year 1987. To date, none of these missiles have been accepted by the Navy. If a major redesign of the missile is required as a result of the flight test failures, every one of these prior year production missiles, all in various stages of construction, must be modified to correct the identified design deficiencies. It is apparent to the Committee that the development and testing program is going to be delayed and that the Trident missile production program will also be affected. The Committee, therefore, defers the Navy's fiscal year 1990 procurement and advance procurement requests and directs the Navy to adjust prior year production rates to accommodate this deferral of fiscal year 1990 funds to insure a smooth transition into fiscal year 1991.

To ensure the Navy has sufficient funds to correct the problems with the Trident missile, the Committee recommends additional $70,000,000 in Trident missile research and development funding above the budget request, the details which are discussed in the Navy research and development section of this report.

OTHER MISSILES

TACTICAL MISSILES

AMRAAM missile.—The Navy's amended budget submission requests $129,785,000 for the procurement of 150 AMRAAM missiles in fiscal year 1990. Because of the development and test problems being encountered in this program, as discussed in detail in the missile procurement, Air Force appropriation section of this report, the Committee recommends a reduction of $21,685,000 and 65 missiles in fiscal year 1990.

Phoenix missile.—The January fiscal year 1990 budget request for the Phoenix missile proposes $376,457,000 for a 3-year multiyear procurement buy out of the program starting with a 420 missile buy in fiscal year 1990. The April amended budget submission canceled the multiyear proposal and requested the termination of the Phoenix missile program after the fiscal year 1990 purchase of 420 missiles.

The GAO has identified $53,000,000 of prior year funds which are available for obligation in the current fiscal year as a result of negotiated contract savings. The Committee directs the Navy to use these funds to partially finance fiscal year 1990 requirements. The Committee recommends a corresponding reduction in fiscal year 1990 of the same amount.

The Committee is extremely concerned with what we discern as a trend in Department of Defense justifications for facilitizing second source producers for various weapons systems. Congress has both encouraged and supported the Department's efforts to promote competition through the use of second source acquisition strategies. To justify the facilitization of a second-source producer, the Department estimates the potential reduction in unit price over the stated inventory objective and weighs this against the up front costs to bring on the second source producer. Congress then appropriates the funds necessary to make this large up front investment, in very tight budget environments, based upon the expectation that the cost of bringing on the second source will be more than recouped as a result of lower unit and program costs over the stated inventory objective. Yet, within a short period of time, the Department reduces that inventory objective to justify terminating the competitive arrangement or even terminating the entire program far short of the originally justified inventory objective. From the data received by Congress, it appears that these reductions in inventory objectives are not necessarily based upon changes in military requirements but rather on decisions to achieve short-term cost reductions at the expense of long-term savings and appropriate inventory levels of critical warfighting systems. Clearly, if this continues, Congress and the defense industry will soon lose faith in the ability or desire of the Department to fill proposed acquisition plans.

The Committee does not wish to appear overly critical of unforeseen perturbations in acquisition schemes; we are quite aware that the budget pressures on the Department this year and those projected in the future may, indeed, cause dramatic revisions in plans for acquisition. On the other hand, we do wish to register a concern that, while sharp reductions in planned acquisition may save dollars in the near term, the long-term cost of underutilized plant and equipment, and a growing reluctance on the part of industry to join in expansion of productive capacity may have a disastrous impact on the defense industrial base. There is no reason to believe that taxpayers will support expenditures for facilitization of production, or that stockholders will reward executives who invest in assets which bring little or no return because of questionable changes in acquisition strategies.

As an extension of this concern, the Committee echoes the Senate Armed Services Committee's reservations about the lack of any long-range air-to-air missile production line between the termination of Phoenix missile production and the start of the next generation advanced air-to-air missile [AAAM] production program.

In light of these concerns, the Committee supports the Armed Service Committee's direction to the Department of Defense Munitions Council to evaluate the Navy's procedures for establishing inventory requirements and the risks associated with a gap in long-range air-to-air missile production. The Committee requests the Secretary of Defense to review the Phoenix missile program and determine whether or not termination is appropriate at this time. The Committee further requests that the Secretary relay the findings of the Munitions Council to the chairman of the Senate and House Appropriations and Armed Services Committees not later than March 1, 1990.

HARM missile.—The amended Navy budget submission requests $292,174,000 for the procurement of 1,162 AGM-88A HARM missiles in fiscal year 1990.

The GAO has informed the Committee that there are $17,500,000 available in prior year funds due to negotiated contract savings. The Committee directs the Navy to bring forward these contract savings to fund a portion the fiscal year 1990 HARM missile requirement. A corresponding reduction in the fiscal year 1990 request is recommended by the Committee.

Drones and decoys.—The Navy did not include funding for the continued procurement of the tactical air launched decoy [TALD] within their fiscal year 1990 amended budget request for fiscal year 1990.

The Committee concurs with the recommendation of the Senate Armed Services Committee to add $25,000,000 to the fiscal year 1990 Navy budget to procure as many TALD's as recommended funds will finance.

SUPPORT EQUIPMENT AND FACILITIES

Weapons industrial facilities.—The Navy's amended fiscal year 1990 budget submission requests $16,836,000 for the modernization of Navy industrial facilities.

The Committee recommends an additional appropriation of $4,500,000 above the amended budget request to continue the modernization of the Allegheny Ballistics Laboratory which produces propulsion units for Navy missiles.

TORPEDOES AND RELATED EQUIPMENT

MK-48 ADACAP torpedo.—The administration's amended budget submission requests $493,642,000 for the procurement of 320 MK-48 advanced capability [ADCAP] torpedoes for fiscal year 1990.

A classified General Accounting Office [GAO] report (GAO/C-NSIAD-88-17) and subsequent congressional testimony have identified operational and live fire testing limitations which lead the GAO to recommend that the MK-48 ADCAP torpedo should remain in low rate production until the identified testing limitations are adequately addressed by the Department.

The Committee has not been convinced by the Department of the Navy that all necessary live fire testing has been conducted to reach the determination that the MK-48 ADCAP will meet all design specifications. The Committee, therefore, recommends an appropriation of $438,642,000, a reduction of $55,000,000 from the request, for the production of 280 MK-48 ADCAP torpedoes for fiscal year 1990.

OTHER WEAPONS

MK-19, 40 mm machine gun.—The Committee denies the Navy's budget request of $523,000 for 25 MK-19 machine guns for reasons explained in the weapons and tracked combat vehicle, Army appropriation section of this report.

HOUSE ADJUSTMENTS

The Committee does not recommend accepting the following House adjustments:

[In thousands of dollars]

	Budget request	House recommendation	Committee recommendation
SM-2 MR missile	310,619	482,619	390,419
Rolling airframe missile	90,265	46,665	90,265
Maverick missile (AP-CY)	6,500		6,500
Rim-7E/F Sparrow (MOD)	28,950		28,950
Fleet satellite communication	171,817	139,117	171,817
MK-50 ALWT	269,130	271,130	269,130
MK-15 CIWS	59,990	74,990	59,990
Spares and repair parts	94,441	110,455	94,441

SHIPBUILDING AND CONVERSION, NAVY

Appropriations, 1989	$9,055,543,000
Budget estimate, 1990	9,550,600,000
House allowance	12,459,200,000
Committee recommendation	9,359,800,000

The Committee recommends $9,359,800,000, a decrease of $190,800,000 from the budget request and $3,099,400,000 below the House allowance.

This appropriation finances the construction, acquisition and conversion of vessels, including armor and armament, plant equipment, appliances, and machine tools for production plants and facilities; and procurement of long lead-time components and designs of vessels.

COMMITTEE RECOMMENDED PROGRAM

The Committee recommends funds to procure 1 ballistic missile and 1 attack submarine, 5 destroyers, 4 mine warfare ships, 7 auxiliaries, and 12 landing craft. The Committee has supported the program recommended in the amended budget. Nonetheless, there are concerns that the 5-year shipbuilding plan is based on a force employing 15 deployable aircraft carriers and that adjustments are needed in the plan to reflect the current force structure goals of the Navy. Details of the Committee recommendations are listed in the following table and described in the text below.

COMMITTEE RECOMMENDED ADJUSTMENTS

Trident ballistic missile submarine.—The Committee recommends $1,037,200,000 in fiscal year 1990 funds for procurement of one Trident submarine. This amount is $100,000,000 below the budget request and the amount provided by the House. The Committee recommends transfers of $100,000,000 from prior year Trident funds to offset the remaining cost of the submarine construction.

Trident ballistic missile submarine advance procurement.—The Committee recommends $100,600,000 in advance procurement funds, a reduction of $40,000,000 from the budget request and the House allowance. The Trident program has been the most stable leg of the strategic modernization program and has been well supported by the Congress. While the Committee strongly supports the Trident program, it is concerned that the projected schedule for production of Trident submarines does not match strategic arms reduction goals.

The Committee notes that the 5-year defense plan for fiscal years 1990–94 contains long-lead funding for Trident submarines through the 23d Trident. The construction of this many Trident submarines would leave little room for ICBM warheads under the projected ceiling of 4,900 ballistic missile warheads. Most likely, this situation would lead to premature dismantling of relatively new Trident submarines, or force an increase in the ballistic missile warhead ceiling. The latter would undercut the logic behind agreeing to deep reductions and also allow the Soviets to have more warheads.

The Committee would not support building additional ballistic missile submarines, if that forces the retirement of other strategic submarines prior to the end of their 30 year useful service life. It appears that the force goals for the Trident fleet require a procurement profile of approximately two Trident submarines every 3 years, instead of the one per year which has been approved for the past 7 years.

The Committee has included language in the bill which would not allow obligation of fiscal year 1990 advance procurement funds until the Secretary of Defense has certified to the Congress that the procurement of additional Trident submarines, at a rate of one per year as forecast in the request, is consistent with negotiating goals and U.S. policy on strategic arms reductions. Furthermore, the recommended bill language would require the Secretary to certify either that the projected schedule would not necessitate early retirement of existing submarines, or that the President will request a new production profile in the fiscal year 1991 budget which matches the U.S. negotiating position and prevents retirement prior to the end of the useful service life of ballistic missile submarines. Finally, the Committee language would require certification that fiscal year 1990 advance procurement funds are required to meet this adjusted schedule.

SSN-688 attack submarine.—The budget request includes $806,300,000 for procurement of the final Los Angeles class SSN-688 attack submarine. The Committee recommends $753,300,000 for this program. The allowance reflects a reduction of $53,000,000, and is based on changed requirements in the SSN-688 including the elimination of the wide aperture array from the submarine. The House provided $1,432,300,000 to purchase two attack submarines. The Committee does not concur in adding additional SSN-688 submarines, given overall submarine inventory and the progress of the follow-on SSN-21.

SSN-21 attack submarine advance procurement.—The Committee recommends $816,800,000 for advance procurement on the SSN-21 Seawolf attack submarine program. The House reduced this request by $202,000,000 to reflect an intention to procure fewer than the requested number of submarines in future years. The Committee does not support the House proposal.

CV-SLEP carrier service life extension advance procurement.—The Committee recommends a reduction of $20,900,000 from the budget request for advance procurement on the next aircraft carrier service life extension [CV-SLEP]. The next CV-SLEP is scheduled to begin in 1993, the Committee believes it is premature to request advance procurement funds in the 1990 budget for this effort.

DDG-51 guided missile destroyers.—The Navy requested $3,600,700,000 for purchase of five DDG-51 destroyers under a multiyear procurement strategy. The Committee recommends $3,420,700,000, a reduction of $180,000,000 from the request and $113,000,000 below the House.

The Committee notes that the unit price of the DDG-51 destroyer has not decreased over the past 3 fiscal years, even though seven destroyers are now under construction. Clearly, this is a factor which should be generating lower costs as the labor force becomes more experienced. In addition, costs are not decreasing even though the construction of five ships per year is considered to represent an economic rate of production. Further, the Committee notes that no significant savings (as a percent of investment) are assumed by the Navy through the use of multiyear procurement. Current law requires that multiyear contracts generate a 10-percent savings over annual contracts. The Committee is recommending multiyear authority for the destroyers, and has reduced the request by 5 percent to require that sufficient savings from multiyear procurement be achieved.

MHC coastal minehunters.—The Committee recommends $120,300,000 for construction of one mine hunter as requested. The House increased the request by $161,700,000 for two additional ships. The Committee does not agree with the House action. Currently, the Navy is 6 months behind schedule on the contract award of the second of two MHC ships funded in fiscal year 1989. In addition, according to the revised budget submission, shipbuilder production capacity is insufficient to manufacture three ships in fiscal year 1990.

Mine countermeasures.—The Committee is again expressing its concern over gaps in U.S. mine countermeasure capabilities. The progress to bridge those gaps has been agonizingly slow for reasons that have been well publicized over the past decade, including an unrealistic reliance on allies to perform mine countermeasures, and the inability of the U.S. shipbuilding industry to respond rapidly and fully to the need to produce effective mine countermeasure ships.

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SHIPBUILDING AND CONVERSION, NAVY										
FLEET BALLISTIC MISSILE SHIPS										
BA-1 FLEET BALLISTIC MISSILE SHIPS										
TRIDENT (NUCLEAR)	1	1,137,200	1	1,137,200	1	1,037,200	--	-100,000	--	-100,000
TRANSFER FROM OTHER ACCOUNTS	--	---	--	---	--	(100,000)	--	(+100,000)	--	(+100,000)
TRIDENT (NUCLEAR) (AP-CY)	--	140,600	--	140,600	--	100,600	--	-40,000	--	-40,000
TOTAL, FLEET BALLISTIC MISSILE SHIPS		1,277,800		1,277,800		1,137,800		-140,000		-140,000
OTHER WARSHIPS										
BA-2 OTHER WARSHIPS										
SSN-688 CLASS SUBMARINE (NUCLEAR)	1	806,300	2	1,432,300	1	753,300	--	-53,000	-1	-679,000
SSN-688 CLASS SUBMARINE (NUCLEAR) (AP-CY)	--	---	--	---	--	---	--	---	--	---
SSN-21	--	---	--	---	--	---	--	---	--	---
SSN-21 (AP-CY)	--	816,800	--	614,800	--	816,800	--	---	--	+202,000
CV SLEP	1	630,300	1	630,300	1	630,300	--	---	--	---
CV SLEP (AP-CY)	--	20,900	--	20,900	--	---	--	-20,900	--	-20,900
ENTERPRISE REFUEL/MOD TRANSFER	--	---	1	1,422,100	--	129,100	--	+129,100	-1	-1,293,000
DDG-51 (MYP)	5	3,600,700	5	3,533,700	5	3,420,700	--	-180,000	--	-113,000
DDG-51 (MYP) (AP-CY)	--	---	--	---	--	---	--	---	--	---
TOTAL, OTHER WARSHIPS		5,875,000		7,654,100		5,750,200		-124,800		-1,903,900

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AMPHIBIOUS SHIPS										
BA-3 AMPHIBIOUS SHIPS										
LHD-1 AMPHIBIOUS ASSAULT SHIP..........................	--	---	--	---	--	---	--	---	--	---
LHD-1 AMPHIBIOUS ASSAULT SHIP (AP-CY)..................	--	35,000	--	35,000	--	35,000	--	---	--	---
LSD-41 (CARGO VARIANT).................................	1	229,300	1	229,300	1	229,300	--	---	--	---
TOTAL, AMPHIBIOUS SHIPS.............................		264,300		264,300		264,300		---		---
MINE WARFARE AND PATROL SHIPS										
BA-4 MINE WARFARE & PATROL SHIPS										
MCM MINE COUNTERMEASURES SHIP..........................	3	341,500	3	341,500	3	341,500	--	---	--	---
MHC COASTAL MINE HUNTER................................	1	120,300	3	282,000	1	120,300	--	---	-2	-161,700
TOTAL, MINE WARFARE AND PATROL SHIPS................		461,800		623,500		461,800		---		-161,700
AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGR										
BA-5 AUXILIARIES, CRAFT & PY PROG COSTS										
TAO FLEET OILER..	--	---	--	---	--	---	--	---	--	---
AO (JUMBO)...	1	35,700	1	35,700	1	35,700	--	---	--	---
TAGOS SURTASS SHIPS....................................	1	155,800	1	155,800	1	155,800	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AOE	1	356,400	1	356,400	1	356,400	--	---	--	---
OCEANOGRAPHIC SHIP	3	278,100	3	278,100	3	278,100	--	---	--	---
MOORED TRNG SHIP DEMO (CURRENT YEAR (A/P	1	220,000	1	220,000	1	220,000	--	---	--	---
SERVICE CRAFT	--	45,100	--	45,100	--	45,100	--	---	--	---
LANDING CRAFT	--	11,300	--	11,300	--	11,300	--	---	--	---
LCAC LANDING CRAFT	9	196,400	12	250,400	12	250,400	+3	+54,000	--	---
LCAC LANDING CRAFT (AP-CY)	--	22,900	--	22,900	--	22,900	--	---	--	---
FAST SEALIFT SHIP (AP)	--	---	6	1,000,000	--	20,000	--	+20,000	-6	-980,000
SHIP PRODUCTION ENG (R & D TRANSFER)	--	---	--	---	--	---	--	---	--	---
OUTFITTING	--	205,500	--	192,200	--	205,500	--	---	--	+13,300
POST DELIVERY	--	134,500	--	110,300	--	134,500	--	---	--	+24,200
SHIP SPECIAL SUPPORT EQUIPMENT	--	10,000	--	10,000	--	10,000	--	---	--	---
TOTAL, AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGR		1,671,700		2,688,200		1,745,700		+74,000		-942,500
UNDISTRIBUTED REDUCTION (MILSTAR)	--	---	--	-48,700	--	---	--	---	--	+48,700
TOTAL, SHIPBUILDING AND CONVERSION, NAVY		9,550,600		12,459,200		9,359,800		-190,800		-3,099,400
TRANSFER FROM OTHER ACCOUNTS		---		---		(100,000)		(+100,000)		(+100,000)
TOTAL FUNDING AVAILABLE		9,550,600		12,459,200		9,459,800		-90,800		-2,999,400

The Committee has received testimony which indicates that the Navy has too few and too ineffective assets to meet the threat of enemy mine warfare, particularly to the inshore waters of the United States, including Alaska and Hawaii. However, Navy witnesses have insisted that everything possible within reason is being done to counter the threat and that planned programs will eventually provide the necessary assets.

The Committee is pleased to note that the Navy has recognized its longstanding deficiencies in mine countermeasures, and that a working group has been directed by the Chief of Naval Operations [CNO] to examine force structure, threat and related issues to be presented to the CNO Executive Board. The Committee looks forward to receiving the results of such a study, complete with a plan for remedying the shortfalls identified by that study.

Air cushioned landing craft [LCAC].—The House provides $250,500,000 for the production of 12 air cushioned landing craft [LCAC]. This is $54,00,000 and three landing craft above the budget request. The Committee concurs with the recommendation by the House.

Enterprise refueling.—The Committee recommends $129,100,000, the amount included in the Senate-passed authorization bill for the consolidation of the fiscal year 1990 funding request in the "Shipbuilding and conversion, Navy" appropriation for costs associated with refueling and modification of the U.S.S. *Enterprise*. The House recommended funding the full cost of the refueling program in fiscal year 1990 and provided $1,422,100,000 for this purpose. The Committee intends to offer an amendment on the Senate floor to increase funds up to the House level.

Sealift.—The Committee recommends $20,000,000 to initiate a fast sealift program as included in the Senate-passed authorization bill. The House provided $1,000,0000,000 for the purchase of four cargo ships and two tankers. The Committee recognizes the significant shortfalls which exist in U.S. sealift capacity and seek to redress this problem. The Committee is convinced that, in its efforts to resolve this matter, the Navy needs to look toward the incorporation of new technologies in any new sealift vessels.

The Committee intends to offer an amendment on the floor of the Senate to increase funding for sealift by $1,000,000,000. The Committee believes this amount should be used to build four cargo ships and two tankers. However, the Committee is convinced that in order to reinvigorate the shipbuilding industry, emphasis must be placed on designing high speed vessels, with low operating costs. It is hoped that by emphasizing such designs the U.S. shipbuilding industry can be brought to the forefront in the design of commercially viable ships, while providing the sealift which is critically needed for national defense.

Other House adjustments.—The House reduced funds for outfitting and post delivery by $13,300,000 and $24,200,000 respectively. The Committee does not concur in these reductions.

OTHER PROCUREMENT, NAVY

Appropriations, 1989	$4,813,969,000
Budget Estimate, 1990	4,915,000,000
House Allowance	4,636,485,000
Committee Recommendation	6,150,432,000

The Committee recommends an appropriation of $6,150,432,000, an increase of $1,235,432,000 above the President's budget and $1,513,947,000 above the House allowance.

This appropriation finances the procurement of major equipment and weapons other than ships, aircraft, missiles, torpedoes, and guns. Equipments range from the latest electronic sensors for updating of naval forces to trucks, training equipment, and spare parts.

COMMITTEE RECOMMENDED PROGRAM

The following table details the Committee recommendations in comparison to the amended budget request and the House allowance:

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER PROCUREMENT, NAVY										
SHIPS SUPPORT EQUIPMENT										
SHIP PROPULSION EQUIPMENT										
LM-2500 GAS TURBINE..................................	--	7,502	--	7,502	--	---	--	-7,502	--	-7,502
ALLISON 501K GAS TURBINE..............................	1	3,883	1	3,883	1	3,883	--	---	--	---
LM2500 SPECIAL SUPPORT EQUIPMENT......................	--	---	--	---	--	---	--	---	--	---
STEAM PROPULSION IMPROVEMENT PROGRAM..................	--	6,275	--	6,275	--	6,275	--	---	--	---
OTHER PROPULSION EQUIPMENT............................	--	5,806	--	5,806	--	5,806	--	---	--	---
GENERATORS										
OTHER GENERATORS......................................	--	1,923	--	1,923	--	1,923	--	---	--	---
PUMPS										
OTHER PUMPS...	--	5,293	--	5,293	--	5,293	--	---	--	---
AIR COMPRESSORS										
HIGH PRESSURE AIR COMPRESSOR..........................	3	586	3	586	3	586	--	---	--	---
PROPELLERS										
SUBMARINE PROPELLERS..................................	17	5,381	17	4,335	17	5,381	--	---	--	+1,046
OTHER PROPELLERS AND SHAFTS...........................	--	4,684	--	4,684	--	4,684	--	---	--	---
NAVIGATION EQUIPMENT										
ELECTRICALLY SUSPENDED GYRO NAVIGATOR.................	--	2,527	--	2,527	--	2,527	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
CARRIER NAVIGATION SYSTEM	--	---	--	---	--	---	--	---	--	---
OTHER NAVIGATION EQUIPMENT	--	4,999	--	4,999	--	4,999	--	---	--	---
UNDERWAY REPLENISH EQUIP										
UNDERWAY REPLENISHMENT EQUIPMENT	--	7,175	--	7,175	--	7,175	--	---	--	---
PERISCOPES										
TYPE 18 PERISCOPE	--	17,120	--	17,120	--	17,120	--	---	--	---
TYPE 8 PERISCOPES	--	---	--	---	--	---	--	---	--	---
PERISCOPES AND ACCESSORIES	--	3,741	--	3,741	--	3,741	--	---	--	---
OTHER SHIPBOARD EQUIPMENT										
FIREFIGHTING EQUIPMENT	--	18,025	--	18,025	--	18,025	--	---	--	---
COMMAND AND CONTROL SWITCHBOARDS	--	3,398	--	3,398	--	3,398	--	---	--	---
POLLUTION CONTROL EQUIPMENT	--	7,932	--	7,932	--	7,932	--	---	--	---
SUBMARINE SILENCING EQUIPMENT	--	12,197	--	12,197	--	12,197	--	---	--	---
SURFACE SHIP SILENCING EQUIPMENT	--	5,619	--	5,619	--	5,619	--	---	--	---
SUBMARINE BATTERIES	35	9,516	35	9,516	35	9,516	--	---	--	---
STRATEGIC PLATFORM SUPPORT EQUIPMENT	--	59,911	--	59,911	--	59,911	--	---	--	---
STRATEGIC MISSILE SUPPORT EQUIPMENT	--	28,680	--	28,680	--	28,680	--	---	--	---
DSSP EQUIPMENT	--	7,380	--	7,380	--	7,380	--	---	--	---
SEALIFT SUPPORT EQUIPMENT	--	10,571	--	10,571	--	10,571	--	---	--	---
AIR CONDITIONERS	2	791	2	791	2	791	--	---	--	---
MINESWEEPING CABLE	--	2,399	--	2,399	--	2,399	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
HM&E ITEMS UNDER $2 MILLION..........................	--	23,801	--	23,801	--	23,801	--	---	--	---
SURFACE IMA..	--	8,071	--	8,071	--	8,071	--	---	--	---
DEGAUSSING EQUIPMENT.................................	--	1,702	--	1,702	--	1,702	--	---	--	---
RADIOLOGICAL CONTROLS................................	--	375	--	375	--	375	--	---	--	---
MINI/MICROMINI ELECTRONIC REPAIR.....................	--	550	--	550	--	550	--	---	--	---
CHEMICAL WARFARE DETECTORS...........................	470	7,938	470	7,938	470	7,938	--	---	--	---
SUBMARINE LIFE SUPPORT SYSTEM........................	8	5,121	8	5,121	8	5,121	--	---	--	---
SHIPBOARD ENERGY CONSERVATION........................	--	---	--	---	--	---	--	---	--	---
REACTOR PLANT EQUIPMENT										
REACTOR POWER UNITS..................................	3	136,146	3	136,146	3	136,146	--	---	--	---
REACTOR COMPONENTS...................................	--	237,764	--	237,764	--	237,764	--	---	--	---
OCEAN ENGINEERING										
DIVING AND SALVAGE EQUIPMENT.........................	--	5,010	--	5,010	--	5,010	--	---	--	---
NAVAL SPECIAL WARFARE EQUIPMENT......................	--	4,101	--	4,101	--	4,101	--	---	--	---
NAVAL SPECIAL WARFARE EQUIPMENT - (SOF)..............	--	18,367	--	18,367	--	18,367	--	---	--	---
SMALL BOATS										
SMALL BOATS..	239	13,448	239	13,448	239	13,448	--	---	--	---
TRAINING EQUIPMENT										
OTHER SHIPS TRAINING EQUIPMENT.......................	--	5,351	--	5,351	--	5,351	--	---	--	---
PRODUCTION FACILITIES EQUIPMENT										
CALIBRATION EQUIPMENT................................	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
PRODUCTION SUPPORT FACILITIES	--	16,903	--	16,903	--	16,903	--	---	--	---
OPERATING FORCES IPE	--	8,451	--	8,451	--	8,451	--	---	--	---
INFLATED COST ESTIMATES (SHIP SUPPT)	--	---	--	---	--	---	--	---	--	---
REDUCTION IN SHIP SUPPORT EQUIPMENT	--	---	--	-25,000	--	---	--	---	--	+25,000
MODERNIZATION OF EQUIPMENT, O & M TRANSFER	--	---	--	---	--	1,065,200	--	+1,065,200	--	+1,065,200
TOTAL, SHIPS SUPPORT EQUIPMENT		736,413		710,367		1,794,111		+1,057,698		+1,083,744
COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
SHIP RADARS										
AN/SPS-67	--	---	--	---	--	---	--	---	--	---
AN/SPS-40	--	7,971	--	7,971	--	7,971	--	---	--	---
AN/SPS-48	--	5,174	--	44,174	--	5,174	--	---	--	-39,000
AN/SPS-49	--	4,504	--	---	--	4,504	--	---	--	+4,504
AN/SYS-()	--	3,970	--	3,970	--	3,970	--	---	--	---
MK 23 TARGET ACQUISITION SYSTEM	4	25,771	4	25,771	4	25,771	--	---	--	---
RADAR SUPPORT	--	13,053	--	13,053	--	13,053	--	---	--	---
AN/SYS - 2/SPS - 49 ADT	--	---	--	---	--	---	--	---	--	---
SHIP SONARS										
SURFACE SONAR SUPPORT EQUIPMENT	--	8,290	--	8,290	--	8,290	--	---	--	---
AN/SQQ-89 SURFACE ASW COMBAT SYS	7	192,465	7	192,465	7	192,465	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AN/BQQ-5	--	95,697	--	85,596	--	95,697	--	---	--	+10,101
TB-16 TOWED ARRAY (MYP)	--	---	--	---	--	---	--	---	--	---
SURF SONAR WINDOWS AND DOMES	--	12,161	--	12,161	--	12,161	--	---	--	---
SONAR SUPPORT EQUIPMENT	--	9,434	--	9,434	--	9,434	--	---	--	---
SONAR SWITCHES AND TRANSDUCERS	--	20,835	--	20,835	--	20,835	--	---	--	---
FBM SYSTEM SONARS	--	2,992	--	2,992	--	2,992	--	---	--	---
QUICK REACTION SURVEILLANCE SYSTEM	--	---	2	9,000	--	---	--	---	-2	-9,000
ASW ELECTRONIC EQUIPMENT										
SUBMARINE ACOUSTIC WARFARE SYSTEMS	--	22,118	--	22,118	--	22,118	--	---	--	---
SURFACE SHIP TORPEDO DEFENSE	--	15,748	--	15,748	--	15,748	--	---	--	---
ACOUSTIC COMMUNICATIONS	--	167	--	167	--	167	--	---	--	---
AN/BSY-1/SUBMARINE ADVANCED COMBAT SYSTEM	1	190,529	1	190,529	1	190,529	--	---	--	---
SOSUS	--	21,096	--	21,096	--	21,096	--	---	--	---
LAMPS MK1 ASW SUPPORT	--	13,051	--	13,051	--	13,051	--	---	--	---
AN/SQR-18 TOWED ARRAY SONAR	--	6,276	--	6,276	--	6,276	--	---	--	---
AN/SQR-15 TOWED ARRAY SONAR	--	1,724	--	1,724	--	1,724	--	---	--	---
SURTASS	--	15,347	--	15,347	--	15,347	--	---	--	---
ASW OPERATIONS CENTER	--	15,234	--	15,234	--	15,234	--	---	--	---
CARRIER ASW MODULE	--	4,180	--	4,180	--	4,180	--	---	--	---
ELECTRONIC WARFARE EQUIPMENT										
AN/SLQ-32	--	78,005	--	78,005	--	78,005	--	---	--	---
AN/WLR-1	--	---	--	---	--	---	--	---	--	---
AN/WLR-8	15	8,119	15	8,119	15	8,119	--	---	--	---
ICAD SYSTEMS	--	3,766	--	3,766	--	3,766	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
EW SUPPORT EQUIPMENT	--	530	--	530	--	530	--	---	--	---
C3 COUNTERMEASURES	136	5,860	136	5,860	136	5,860	--	---	--	---
SIDEKICK	--	---	--	---	--	---	--	---	--	---
SIGNATURE REDUCTION	--	---	--	---	--	---	--	---	--	---
RECONNAISSANCE EQUIPMENT										
COMBAT CRYPTOLOGIC SUPPORT CONSOLE	--	1,407	--	1,407	--	1,407	--	---	--	---
COMBAT DF	--	27,781	--	1,781	--	27,781	--	---	--	+26,000
OUTBOARD	--	---	--	---	--	---	--	---	--	---
NAVAL INTELLIGENCE PROCESSING SYSTEM	--	6,868	--	6,868	--	6,868	--	---	--	---
SUBMARINE SURVEILLANCE EQUIPMENT										
AN/WLQ-4 DEPOT	--	---	--	---	--	---	--	---	--	---
AN/WLQ-4 IMPROVEMENTS	--	16,156	--	16,156	--	16,156	--	---	--	---
AN/BLD-1 (INTERFEROMETER)	--	---	--	---	--	---	--	---	--	---
SUBMARINE SUPPORT EQUIPMENT PROGRAM	--	3,014	--	3,014	--	3,014	--	---	--	---
OTHER SHIP ELECTRONIC EQUIPMENT										
NAVY TACTICAL DATA SYSTEM	--	68,552	--	67,559	--	68,552	--	---	--	+993
TACTICAL FLAG COMMAND CENTER	1	6,171	1	6,171	1	6,171	--	---	--	---
MINESWEEPING SYSTEM REPLACEMENT	--	8,868	--	8,868	--	8,868	--	---	--	---
OMEGA SHIPBOARD EQUIPMENT	--	---	--	---	--	---	--	---	--	---
NAVSTAR GPS RECEIVERS	121	13,043	121	13,043	121	13,043	--	---	--	---
HF LINK-11 DATA TERMINALS	--	1,174	--	1,174	--	1,174	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
ARMED FORCES RADIO AND TV	--	5,203	--	5,203	--	5,203	--	---	--	---
STRATEGIC PLATFORM SUPPORT EQUIPMENT	--	114,567	--	114,567	--	89,567	--	-25,000	--	-25,000
STRATEGIC MISSILE SUPPORT EQUIPMENT	--	7,032	--	7,032	--	7,032	--	---	--	---
MOLDED CASE CIRCUIT BREAKERS	--	---	--	6,000	--	---	--	---	--	-6,000
TRAINING EQUIPMENT										
OTHER SPAWAR TRAINING EQUIPMENT	--	982	--	982	--	982	--	---	--	---
OTHER NAVSEA TRAINING EQUIPMENT	--	1,335	--	1,335	--	1,335	--	---	--	---
AVIATION ELECTRONIC EQUIPMENT										
MATCALS	--	15,385	--	15,385	--	15,385	--	---	--	---
SHIPBOARD AIR TRAFFIC CONTROL	--	6,864	--	6,864	--	6,864	--	---	--	---
AUTOMATIC CARRIER LANDING SYSTEMS	--	13,319	--	13,319	--	13,319	--	---	--	---
TACAN	--	4,181	--	4,181	--	4,181	--	---	--	---
AIR STATION SUPPORT EQUIPMENT	--	6,094	--	6,094	--	6,094	--	---	--	---
MICROWAVE LANDING SYSTEM	--	---	--	---	--	---	--	---	--	---
FACSFAC	--	25,309	--	25,309	--	25,309	--	---	--	---
RADAR AIR TRAFFIC CONTROL	--	1,365	--	1,365	--	1,365	--	---	--	---
MK XII AIMS IFF	--	10,884	--	10,884	--	10,884	--	---	--	---
OTHER SHORE ELECTRONIC EQUIPMENT										
TADIXS	--	11,916	--	11,916	--	11,916	--	---	--	---
NAVAL SPACE SURVEILLANCE SYSTEM	--	83	--	83	--	83	--	---	--	---
SPACE SYSTEM PROCESSING	--	1,144	--	1,144	--	1,144	--	---	--	---
MULTOTS	--	131	--	131	--	131	--	---	--	---
NCCS ASHORE	--	17,797	--	17,797	--	17,797	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
RADIAC	--	4,047	--	4,047	--	4,047	--	---	--	---
RELOCATABLE OVER THE HORIZON RADAR	1	86,557	--	---	--	11,882	-1	-74,675	--	+11,882
GPETE	--	17,271	--	17,271	--	17,271	--	---	--	---
INTEG COMBAT SYS TEST FACILITY	--	4,095	--	4,095	--	4,095	--	---	--	---
CALIBRATION STANDARDS	--	7,435	--	7,435	--	7,435	--	---	--	---
EMI CONTROL INSTRUMENTATION	--	9,445	--	9,445	--	9,445	--	---	--	---
SHORE ELEC ITEMS UNDER $2.0 MILLION	--	24,445	--	24,445	--	24,445	--	---	--	---
SHIPBOARD COMMUNICATIONS										
SHIPBOARD HF COMMUNICATIONS	--	3,960	--	3,960	--	3,960	--	---	--	---
SHIPBOARD UHF COMMUNICATIONS	--	1,460	--	1,460	--	1,460	--	---	--	---
FLIGHT DECK COMMUNICATIONS	--	2,804	--	2,804	--	2,804	--	---	--	---
PORTABLE RADIOS	--	9,838	--	9,838	--	9,838	--	---	--	---
SHIP COMMUNICATIONS AUTOMATION	--	10,139	--	10,139	--	10,139	--	---	--	---
SHIP COMM ITEMS UNDER $2.0 MILLION	--	6,702	--	6,702	--	6,702	--	---	--	---
SEALIFT SHIP COMMUNICATIONS	--	---	--	---	--	---	--	---	--	---
SUBMARINE COMMUNICATIONS										
SHORE LF/VLF COMMUNICATIONS	--	3,778	--	3,778	--	3,778	--	---	--	---
VERDIN	--	4,528	--	4,528	--	4,528	--	---	--	---
SSN INTEGRATED COMMUNICATIONS	--	---	--	---	--	---	--	---	--	---
SUBMARINE COMMUNICATION EQUIPMENT	--	9,630	--	9,630	--	9,630	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SATELLITE COMMUNICATIONS										
SATCOM SHIP TERMINALS	--	69,931	--	15,852	--	69,931	--	---	--	+54,079
SATCOM SHORE TERMINALS	--	26,262	--	4,993	--	26,262	--	---	--	+21,269
SHORE COMMUNICATIONS										
JCS COMMUNICATIONS EQUIPMENT	--	1,461	--	1,461	--	1,461	--	---	--	---
ELECTRICAL POWER SYSTEMS	--	279	--	279	--	279	--	---	--	---
SHORE HF COMMUNICATIONS	--	3,283	--	3,283	--	3,283	--	---	--	---
DCS TECH CONTROL IMPROVEMENTS	--	335	--	335	--	335	--	---	--	---
VOICE FREQ CARRIER TELEGRAPH	--	1,256	--	1,256	--	1,256	--	---	--	---
WORLDWIDE WIDEBAND COMM	--	3,424	--	3,424	--	3,424	--	---	--	---
WWMCCS COMMUNICATIONS EQUIPMENT	--	514	--	514	--	514	--	---	--	---
SHORE COMMUNICATIONS AUTOMATION	--	42	--	42	--	42	--	---	--	---
SHORE COMM ITEMS UNDER $2.0 MILLION	--	2,867	--	2,867	--	2,867	--	---	--	---
CRYPTOGRAPHIC EQUIPMENT										
SINGLE AUDIO SYSTEM	--	3,213	--	3,213	--	3,213	--	---	--	---
TSEC/KY-71/72 (STU-II/STU-IIM)	--	22,789	--	22,789	--	22,789	--	---	--	---
TSEC/KG-84	--	22,988	--	22,988	--	22,988	--	---	--	---
TSEC/KY-57/58 (VINSON)	--	7,585	--	7,585	--	7,585	--	---	--	---
TSEC/KYV-5 (ANDVT)	--	37,761	--	37,761	--	---	--	-37,761	--	-37,761
TSEC/KG-81 (WALBURN)	--	8,043	--	8,043	--	8,043	--	---	--	---
TSEC/KGR-96 (ITSS)	--	5,091	--	5,091	--	5,091	--	---	--	---
BLACKER CRYPTO	--	3,821	--	3,821	--	3,821	--	---	--	---
TSEC/KG-58/KGV-6 (PLRS)	--	8,222	--	8,222	--	8,222	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
TRITAC CRYPTO..	--	17,132	--	17,132	--	17,132	--	---	--	---
TSEC/KGV-11..	--	7,473	--	7,473	--	7,473	--	---	--	---
COMMON FILL DEVICES....................................	--	2,196	--	2,196	--	2,196	--	---	--	---
SIGNAL SECURITY..	--	403	--	403	--	403	--	---	--	---
CRYPTOGRAPHIC ITEMS UNDER $2 MILLION...................	--	8,255	--	8,255	--	8,255	--	---	--	---
CRYPTOLOGIC EQUIPMENT										
CRYPTOLOGIC COMMUNICATIONS EQUIP.......................	--	1,310	--	1,310	--	1,310	--	---	--	---
SHIPS SIGNAL EXPLOITATION SPACE........................	--	---	--	---	--	---	--	---	--	---
CRYPTOLOGIC ITEMS UNDER $2 MILLION.....................	--	795	--	795	--	795	--	---	--	---
CRYPTOLOGIC RESERVES EQUIPMENT.........................	--	629	--	629	--	629	--	---	--	---
CRYPTOLOGIC FIELD TRAINING EQUIP.......................	--	199	--	199	--	199	--	---	--	---
SHORE CRYPTOLOGIC SUPPORT SYSTEM.......................	--	963	--	963	--	963	--	---	--	---
OTHER ELECTRONIC SUPPORT										
WAR RESERVE..	--	628	--	628	--	628	--	---	--	---
ELEC ENGINEERED MAINT (NAVSEA).........................	--	2,231	--	2,231	--	2,231	--	---	--	---
ELEC ENGINEERED MAINT (SPAWAR).........................	--	1,487	--	1,487	--	1,487	--	---	--	---
LARGE SCREEN DISPLAY...................................	--	---	--	---	--	---	--	---	--	---
INFLATED COST ESTIMATES (COMM & ELEC)..................	--	---	--	---	--	---	--	---	--	---
MEDIUM DEPTH MINE, R & D TRANSFER......................	--	---	--	---	--	---	--	---	--	---
COMMUNICATIONS & ELECTRONICS REDUCTION.................	--	---	--	-57,500	--	---	--	---	--	+57,500
TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT.....		1,679,694		1,472,691		1,542,258		-137,436		+69,567

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AVIATION SUPPORT EQUIPMENT										
SONOBUOYS										
AN/SSQ-36 (BT)	--	---	--	---	--	---	--	---	--	---
AN/SSQ-53 (DIFAR)	234,290	70,616	234,290	70,616	234,290	70,616	--	---	--	---
AN/SSQ-57 (SPECIAL PURPOSE)	--	---	--	---	--	---	--	---	--	---
AN/SSQ-62 (DICASS)	14,000	22,152	14,000	22,152	14,000	22,152	--	---	--	---
AN/SSQ-77 (VLAD)	46,700	22,667	46,700	22,667	46,700	22,667	--	---	--	---
GENERAL INCREASE - SONOBUOYS	--	---	--	45,000	--	---	--	---	--	-45,000
SIGNAL UNDERWATER SOUND (SUS)	--	---	--	---	--	---	--	---	--	---
AIR LAUNCHED ORDNANCE										
GENERAL PURPOSE BOMBS	--	80,340	--	80,340	--	67,140	--	-13,200	--	-13,200
WALLEYE	--	---	--	---	--	---	--	---	--	---
ROCKEYE	--	---	--	---	--	---	--	---	--	---
2.75 INCH ROCKET	--	18,849	--	18,849	--	17,449	--	-1,400	--	-1,400
MACHINE GUN AMMUNITION	--	13,364	--	33,364	--	13,364	--	---	--	-20,000
PRACTICE BOMBS	--	34,403	--	34,403	--	20,703	--	-13,700	--	-13,700
CARTRIDGES + CARTRIDGE ACTUATED DEVICES	--	23,996	--	23,996	--	23,996	--	---	--	---
AIRCRAFT ESCAPE ROCKETS	--	4,445	--	4,445	--	4,445	--	---	--	---
AIRBORNE EXPENDABLE COUNTERMEASURES	--	35,470	--	35,470	--	35,470	--	---	--	---
MARINE LOCATION MARKERS	--	6,650	--	6,650	--	6,650	--	---	--	---
BIGEYE CHEMICAL WEAPON	--	---	--	---	--	---	--	---	--	---
JATOS	--	6,625	--	6,625	--	6,625	--	---	--	---
GATOR	--	9,662	--	9,662	--	9,662	--	---	--	---
MISC AIR LAUNCHED ORDNANCE	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIRCRAFT SUPPORT EQUIPMENT										
WEAPONS RANGE SUPPORT EQUIPMENT	--	52,223	--	52,223	--	52,223	--	---	--	---
EXPEDITIONARY AIRFIELDS	--	4,516	--	4,516	--	4,516	--	---	--	---
AIRCRAFT REARMING EQUIPMENT	--	15,552	--	14,414	--	15,552	--	---	--	+1,138
CATAPULTS AND ARRESTING GEAR	--	36,657	--	36,657	--	36,657	--	---	--	---
METEOROLOGICAL EQUIPMENT	--	20,047	--	20,047	--	20,047	--	---	--	---
OTHER PHOTOGRAPHIC EQUIPMENT	--	---	--	---	--	---	--	---	--	---
MISC SURVIVAL EQUIPMENT	--	6,548	--	6,548	--	6,548	--	---	--	---
AIRBORNE MINE COUNTERMEASURES	--	24,996	--	24,996	--	24,996	--	---	--	---
LAMPS MK III SHIPBOARD EQUIPMENT	--	14,568	--	14,568	--	14,568	--	---	--	---
REWSON PHOTOGRAPHIC EQUIPMENT	--	1,942	--	1,942	--	1,942	--	---	--	---
STOCK SURVEILLANCE EQUIPMENT	--	2,443	--	2,443	--	2,443	--	---	--	---
OTHER AVIATION SUPPORT EQUIPMENT	--	7,667	--	7,667	--	7,667	--	---	--	---
INFLATED COST ESTIMATES (AVIATION SUPPORT)	--	---	--	---	--	---	--	---	--	---
TOTAL, AVIATION SUPPORT EQUIPMENT		536,398		600,260		508,098		-28,300		-92,162
ORDNANCE SUPPORT EQUIPMENT										
INDUSTRIAL/DEPOT MAINTENANCE EQUIPMENT	--	---	--	---	--	351,900	--	+351,900	--	+351,900
SHIP GUN AMMUNITION										
3 /50 GUN AMMUNITION	--	694	--	694	--	694	--	---	--	---
5 /38 GUN AMMUNITION	--	5,432	--	5,432	--	5,432	--	---	--	---
5 /54 GUN AMMUNITION	--	39,809	--	39,809	--	39,809	--	---	--	---
16 INCH GUN AMMUNITION	--	26,539	--	26,539	--	26,539	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
CIWS AMMUNITION	--	30,776	--	40,776	--	30,776	--	---	--	-10,000
76MM GUN AMMUNITION	--	5,467	--	5,467	--	5,467	--	---	--	---
OTHER SHIP GUN AMMUNITION	--	22,674	--	22,674	--	22,674	--	---	--	---
SHIP GUN SYSTEM EQUIPMENT										
GUN FIRE CONTROL EQUIPMENT	--	9,175	--	9,175	--	9,175	--	---	--	---
SHIP MISSILE SYSTEMS EQUIPMENT										
MK 92 FIRE CONTROL SYSTEM	--	15,833	--	15,833	--	15,833	--	---	--	---
HARPOON SUPPORT EQUIPMENT	--	31,198	--	31,198	--	31,198	--	---	--	---
TERRIER SUPPORT EQUIPMENT	--	25,781	--	25,781	--	25,781	--	---	--	---
TARTAR SUPPORT EQUIPMENT	--	17,808	--	17,808	--	17,808	--	---	--	---
POINT DEFENSE SUPPORT EQUIPMENT (MYP)	7	40,777	7	40,777	7	40,777	--	---	--	---
AIRBORNE ECM/ECCM	--	1,020	--	1,020	--	1,020	--	---	--	---
AEGIS SUPPORT EQUIPMENT	--	43,974	--	43,974	--	43,974	--	---	--	---
SURFACE TOMAHAWK SUPPORT EQUIPMENT	--	42,077	--	42,077	--	42,077	--	---	--	---
SUBMARINE TOMAHAWK SUPPORT EQUIPMENT	--	6,171	--	6,171	--	6,171	--	---	--	---
VERTICAL LAUNCH SYSTEM	3	90,487	3	90,487	3	90,487	--	---	--	---
FBM SUPPORT EQUIPMENT										
STRATEGIC PLATFORM SUPPORT EQUIPMENT	--	22,635	--	22,635	--	22,635	--	---	--	---
STRATEGIC MISSILE SYSTEMS EQUIPMENT	--	38,129	--	38,129	--	38,129	--	---	--	---
ASW SUPPORT EQUIPMENT										
MK-92	--	---	--	---	--	---	--	---	--	---
MK-92 CORT	--	---	--	---	--	---	--	---	--	---

COMMITTEE ADJUSTMENTS

SHIPS SUPPORT EQUIPMENT

LM-2500 gas turbine.—The LM-2500 gas turbine engines and associated control systems provide main propulsion for the DD-963, DDG-993, FFG-7, CG-47, DDG-51, and AOE-6 class ships. The amended Navy budget submission requests $7,502,000 for the procurement of LM-2500 gas turbines in fiscal year 1990.

The Navy reports that the procurement milestones have slipped and the program is being restructured. Prior year funds have yet to be obligated and can be used to award procurement contracts in fiscal year 1990, if the Navy successfully completes program restructuring. The Committee, therefore, denies the fiscal year 1990 amended budget request.

COMMUNICATIONS AND ELECTRONICS EQUIPMENT

AN/SQR-18 towed array.—The Congress authorized and appropriated $14,200,00 in fiscal year 1989 for the AN/SQR-18 towed array sonar for the frigate modernization program. Congressional direction to the Navy was to use these funds to procure the final three shipsets of this system for the FF-1052 class frigates. The Committee has become aware of a modified version of the SQR-18 that has the potential for greatly enhanced submarine detection, with a decreased procurement cost.

The Committee recommends that the Navy use the fiscal year 1989 funding to test prototypes of the modified version ashore and, if justified, at sea at the earliest practicable time.

Strategic platform support equipment.—This program provides electronic equipment for Trident training, refit, and shore facilities. The amended Navy budget submission requests $114,567,000 for procurement of equipment in fiscal year 1990.

The Committee notes the high unobligated balances available from slow prior year execution. The Committee recommends a $25,000,000 reduction in the fiscal year 1990 request and directs the Navy to use prior year funding, along with recommended funding levels, to fund the fiscal year 1990 program.

Relocatable over the horizon radar [ROTHR].—The ROTHR provides tactical commanders afloat with an active wide area surveillance capability not currently available. The Navy's fiscal year 1990 amended budget submission request $86,557,000 for the procurement of equipment for one ROTHR site in fiscal year 1990, along with support and test bed equipment, and technical drawings.

The Committee agrees with the House positions that there are sufficient prior year unobligated funds to keep the production line active without the need for new budget authority in fiscal year 1990. The Committee, however, expresses its strong backing of the ROTHR program and fully supports the installation of the next system in the United Kingdom, under the provisions of a memorandum of understanding expected to be signed by both parties in November 1989.

The Committee does not, however, recommend the full House reduction, but allows $11,882,000 in fiscal year 1990 funds for support and test bed equipment, and necessary technical drawings requested by the Navy.

TSEC/KYV-5 [ANDVT].—The Navy has requested $37,761,000 within their amended fiscal year 1990 budget submission for the procurement of the TSEC/KYV-5 advanced narrowband digital voice terminals [ANDVT].

The Committee notes that there has been a delay in the approval of the acquisition plan which incorporates a dual source contract award for the ANDVT and that this has resulted in high prior year unobligated balances. The Navy plans to award the fiscal year 1988 and the fiscal year 1989 contracts at the same time. This combined award will keep the production line active through the fiscal year 1990 funded delivery period.

The Committee, therefore, recommends the denial of the Navy's fiscal year 1990 budget request and suggests the Navy use the 2 years of prior year funds to structure the production line for a smooth transition into fiscal year 1991.

AVIATION SUPPORT EQUIPMENT

General purpose bombs.—The Navy's fiscal year 1990 amended budget submission request $80,340,000 for the procurement of variety of general purpose bombs. Within the total amounts requested for this program, $22,800,000 has been requested for the procurement of FMU-139 fuzes.

A second source contract of the FMU-139 fuze was competitively awarded in fiscal year 1985, with a directed buy of 75,000 in the first production lot. In fiscal year 1986, an additional production contract for 19,000 fuzes was awarded to the second source. However, problems with the second source producer developed early in fiscal year 1986 when the second source failed first article test on two different occasions. The Navy has informed the committee that the second source is still at least 3 years behind scheduled deliveries.

The GAO has reported to the Committee that a reduction to the request for the FMU-139 fuze is recommended until the second source is back on contract delivery schedules. The Committee recommends a reduction of $13,200,000 from the general purpose bomb line in recognition of the problem in the production of the FMU-139 fuzes.

2.75-inch rockets.—The Navy's amended budget submission requests $18,849,000 for the procurement of various configurations of the 2.75-inch rocket.

Within the amounts requested for the 2.75-inch rocket, $1,400,000 is requested for 3,000 M-257 illumination warheads. The GAO has reported to the Committee that the Navy now admits that M-257 warhead will not be approved for production in time to produce these quantities within the fiscal year 1990 funded delivery period. The Committee recommends, therefore, that the funds requested for the M-257 illumination warhead be denied.

Practice bombs.—The amended budget submission requests $34,403,000 for various Navy practice bombs in fiscal year 1990.

The General Accounting Office [GAO] has reported to the Committee that the contracts for production of BDU-45 and MK-83 practice bombs are not executable in fiscal year 1990 as a result of program delays. The Committee recommends denial of the $13,700,000 requested for these two programs.

CIWS ammunition.—In previous years, the Congress has advocated maximizing the domestic production base for depleted uranium [DU] penetrator alloys. Senate and House conferees have also agreed that the procurement strategy for CIWS ammunition should address both DU and Tungsten penetrators. Since advanced threats for close-in-weapons-systems are eminent and are currently being addressed in other programs, the Committee considers it advisable to sustain the domestic material capability for these materials. Accordingly, the Committee recommends continuing DU in the competitive procurement strategy for CIWS ammunition.

In addition, since PHALANX represents last-line-of-defense in ship-board mode, and to insure continued effectiveness for this mission, the Committee recommends addition of live-fire testing, as supplemental to existing specifications for qualifying CIWS penetrators.

PERSONNEL AND COMMAND SUPPORT EQUIPMENT

Medical support equipment.—The amended fiscal year 1990 budget submission requests $56,802,000 for the procurement of medical support equipment. These funds provide for the procurement of major items of investment equipment for all medical activities under the Naval Medical Command.

Within the total medical support equipment request is $8,430,000 for the procurement of investment equipment for fleet hospital number 4, proposed for Lanark Naval Station, United Kingdom. The Committee has been informed that the Military Construction Subcommittee has denied Milcon funding for this facility for fiscal year 1990 and, therefore, the funds requested for equipment is no longer required. The Committee denies $8,430,000 of the medical support equipment request for those items specifically designated for fleet hospital No. 4.

HOUSE ADJUSTMENTS

The Committee does not recommend accepting the following House adjustments:

[In thousands of dollars]

	Budget request	House allowance	Committee recommendation
General reduction for communications and electronics		−57,500	
General increase sonobouys		+45,000	
General reduction in ship support		−25,000	
General reduction ordinance support equipment		−25,000	
General reduction for spares and repair parts		−17,500	
Submarine propellers	5,381	4,335	5,381
AN/SPS-48E	5,174	44,174	5,174
AN/SPS-49	4,504		4,504
AN/BQQ-5	95,697	85,596	95,697
Quick reaction surveillance system		9,000	
Combat DF	27,781	1,781	27,781
Tactical data system	68,552	67,559	68,552

[In thousands of dollars]

	Budget request	House allowance	Committee recommendation
Molded case circuit breakers		6,000	
SATCOM ship terminals	69,931	15,852	69,931
SATCOM shore terminals	26,262	4,993	26,262
Machinegun ammunition	13,364	33,364	13,364
Aircraft rearming equipment	15,552	14,414	15,552
CIWS ammunition	30,776	40,776	30,776
Amphibious equipment	5,398	21,898	5,398
Special purpose supply system	131,123	128,348	131,123
Ship system trainers	20,014	16,304	20,014
Command support equipment	27,537	19,537	27,537
Computer acquisition program	107,102	46,659	107,102
Spares and repair parts	547,405	544,305	547,405

PROCUREMENT, MARINE CORPS

Appropriations, 1989	$1,297,265,000
Budget estimate, 1990	1,196,800,000
House allowance	1,246,800,000
Committee recommendation	1,175,885,000

The Committee recommends an appropriation of $1,175,885,000, a decrease of $20,915,000 below the President's amended budget request and $70,915,000 less than the House allowance.

This appropriation provides the Marine Corps with funds for the procurement, delivery, and modification of missiles, armament, ammunition, communication equipment, tracked combat and wheeled vehicles, and various support equipment.

COMMITTEE RECOMMENDED PROGRAM

The following table details the Committee recommendations in comparison to the amended budget request and the House allowance:

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MK 117 FIRE CONTROL SYSTEM	--	49,896	--	49,896	--	49,896	--	---	--	---
SUBMARINE ASW SUPPORT EQUIPMENT	--	7,967	--	7,967	--	7,967	--	---	--	---
SURFACE ASW SUPPORT EQUIPMENT	--	8,689	--	8,689	--	8,689	--	---	--	---
ASW RANGE SUPPORT EQUIPMENT	--	6,625	--	6,625	--	6,625	--	---	--	---
OTHER ORDNANCE SUPPORT EQUIPMENT										
EXPLOSIVE ORDNANCE DISPOSAL EQUIP	--	11,806	--	11,806	--	11,806	--	---	--	---
SWIMMER WEAPON SYSTEMS (SOF)	--	2,321	--	2,321	--	2,321	--	---	--	---
UNMANNED SEABORNE TARGET	--	3,771	--	3,771	--	3,771	--	---	--	---
ANTI-SHIP MISSILE DECOY SYSTEMS	--	8,925	--	8,925	--	8,925	--	---	--	---
CALIBRATION EQUIPMENT	--	1,227	--	1,227	--	1,227	--	---	--	---
STOCK SURVEILLANCE EQUIPMENT	--	1,638	--	1,638	--	1,638	--	---	--	---
OTHER ORDNANCE TRAINING EQUIPMENT	--	1,967	--	1,967	--	1,967	--	---	--	---
OTHER EXPENDABLE ORDNANCE										
SMALL ARMS AND LANDING PARTY AMMO	--	30,449	--	30,449	--	30,449	--	---	--	---
SMALL ARMS & LANDING PARTY AMMO (SOF)	--	3,300	--	3,300	--	3,300	--	---	--	---
PYROTECHNIC AND DEMOLITION MATERIAL	--	2,687	--	2,687	--	2,687	--	---	--	---
PYROTECHNIC AND DEMOLITION (SOF)	--	20,079	--	20,079	--	20,079	--	---	--	---
QUICKSTRIKE	--	17,944	--	17,944	--	17,944	--	---	--	---
FLEET MINE SUPPORT EQUIPMENT	--	20,575	--	20,575	--	20,575	--	---	--	---
MINE NEUTRALIZATION DEVICES	--	3,428	--	3,428	--	3,428	--	---	--	---
DEFENSE NUCLEAR AGENCY MATERIAL	--	---	--	---	--	---	--	---	--	---
SHIPBOARD EXPENDABLE COUNTERMEASURES	--	32,696	--	32,696	--	32,696	--	---	--	---
INFLATED COST ESTIMATES (ORDNANCE SUPPT)	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
REDUCTION, ORDNANCE SUPPORT EQUIPMENT	--	---	--	-25,000	--	---	--	---	--	+25,000
TOTAL, ORDNANCE SUPPORT EQUIPMENT		752,446		737,446		1,104,346		+351,900		+366,900
CIVIL ENGINEERING SUPPORT EQUIPMENT										
ARMORED VEHICLES	--	202	--	202	--	202	--	---	--	---
PASSENGER CARRYING VEHICLES	502	6,818	502	6,818	502	6,818	--	---	--	---
TRUCKS & TRAILERS	--	9,930	--	9,930	--	9,930	--	---	--	---
TRUCKS	--	---	--	---	--	---	--	---	--	---
GENERAL PURPOSE TRUCKS	--	10,812	--	10,812	--	10,812	--	---	--	---
TRAILERS	--	---	--	---	--	---	--	---	--	---
TRAILERS/TRUCK TRACTORS	--	4,611	--	4,611	--	4,611	--	---	--	---
CRUSH, MIX, BATCH, PAVE EQUIPMENT	--	---	--	---	--	---	--	---	--	---
DRILLING AND BLASTING EQUIPMENT	--	---	--	---	--	---	--	---	--	---
EARTH MOVING EQUIPMENT	152	8,918	152	8,918	152	8,918	--	---	--	---
LIGHTING AND POWER GENERATING EQUIP	--	---	--	---	--	---	--	---	--	---
MISC CONSTRUCTION AND MAINTENANCE EQUIP	--	8,964	--	8,964	--	8,964	--	---	--	---
FIRE FIGHTING EQUIPMENT	61	6,442	61	6,442	61	6,442	--	---	--	---
WEIGHT HANDLING EQUIPMENT	43	9,287	43	9,287	43	9,287	--	---	--	---
AMPHIBIOUS EQUIPMENT	--	5,398	--	21,898	--	5,398	--	---	--	-16,500
COMBAT CONSTRUCTION SUPPORT EQUIPMENT	--	7,349	--	7,349	--	7,349	--	---	--	---
MOBILE UTILITIES SUPPORT EQUIPMENT	--	2,397	--	2,397	--	2,397	--	---	--	---
COLLATERAL EQUIPMENT	--	5,348	--	5,348	--	5,348	--	---	--	---
OCEAN CONSTRUCTION EQUIPMENT	--	1,220	--	1,220	--	1,220	--	---	--	---
FLEET MOORINGS	--	3,874	--	3,874	--	3,874	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
POLLUTION CONTROL EQUIPMENT	--	3,425	--	3,425	--	3,425	--	---	--	---
OTHER CIVIL ENG SUPPORT EQUIPMENT	--	2,097	--	2,097	--	2,097	--	---	--	---
INFLATED COST ESTIMATES (CIVIL ENG)	--	---	--	---	--	---	--	---	--	---
TOTAL, CIVIL ENGINEERING SUPPORT EQUIPMENT		97,092		113,592		97,092		---		-16,500
SUPPLY SUPPORT EQUIPMENT										
FORKLIFT TRUCKS	--	6,788	--	6,788	--	6,788	--	---	--	---
OTHER MATERIALS HANDLING EQUIPMENT	--	2,294	--	2,294	--	2,294	--	---	--	---
AUTOMATED MATERIALS HANDLING SYSTEMS	--	12,376	--	12,376	--	12,376	--	---	--	---
OTHER SUPPLY SUPPORT EQUIPMENT	--	2,226	--	2,226	--	2,226	--	---	--	---
POLLUTION CONTROL EQUIPMENT	--	1,274	--	1,274	--	1,274	--	---	--	---
SPECIAL PURPOSE SUPPLY SYSTEMS	--	131,123	--	128,348	--	131,123	--	---	--	+2,775
INFLATED COST ESTIMATES (SUPPLY SUPPORT)	--	---	--	---	--	---	--	---	--	---
TOTAL, SUPPLY SUPPORT EQUIPMENT		156,081		153,306		156,081		---		+2,775
PERSONNEL AND COMMAND SUPPORT EQUIPMENT										
TRAINING DEVICES										
SURFACE SONAR TRAINERS	--	8,616	--	8,616	--	8,616	--	---	--	---
SUBMARINE SONAR TRAINERS	--	---	--	---	--	---	--	---	--	---
SURFACE COMBAT SYSTEM TRAINERS	--	3,704	--	3,704	--	3,704	--	---	--	---
SUBMARINE COMBAT SYSTEM TRAINERS	--	---	--	---	--	---	--	---	--	---
SHIP SYSTEM TRAINERS	--	20,014	--	16,304	--	20,014	--	---	--	+3,710

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
TRAINING SUPPORT EQUIP..................................	--	2,683	--	2,683	--	2,683	--	---	--	---
TRAINING DEVICE MODIFICATIONS..........................	--	19,428	--	19,428	--	19,428	--	---	--	---
COMMAND SUPPORT EQUIPMENT										
COMMAND SUPPORT EQUIPMENT..............................	--	27,537	--	19,537	--	27,537	--	---	--	+8,000
EDUCATION SUPPORT EQUIPMENT............................	--	6,951	--	6,951	--	6,951	--	---	--	---
MEDICAL SUPPORT EQUIPMENT..............................	--	56,802	--	56,802	--	48,372	--	-8,430	--	-8,430
INTELLIGENCE SUPPORT EQUIPMENT.........................	--	63,061	--	63,061	--	63,061	--	---	--	---
ITEMS UNDER $2 MILLION.................................	--	857	--	857	--	857	--	---	--	---
OPERATING FORCES SUPPORT EQUIPMENT.....................	--	15,058	--	15,058	--	15,058	--	---	--	---
NAVAL RESERVE SUPPORT EQUIPMENT........................	--	3,824	--	3,824	--	3,824	--	---	--	---
OCEANOGRAPHIC SUPPORT EQUIPMENT........................	--	25,277	--	25,277	--	25,277	--	---	--	---
PHYSICAL SECURITY EQUIPMENT............................	--	15,990	--	15,990	--	15,990	--	---	--	---
COMPUTER ACQUISITION PROGRAM										
COMPUTER ACQUISITION PROGRAM...........................	--	107,102	--	46,659	--	107,102	--	---	--	+60,443
PRODUCTIVITY PROGRAMS										
PRODUCTIVITY INVESTMENT FUND (PIF).....................	--	31,300	--	31,300	--	31,300	--	---	--	---
PROD ENHANCING INCENTIVE FUND (PEIF)...................	--	1,267	--	1,267	--	1,267	--	---	--	---
INFLATED COST ESTIMATES (PERS).........................	--	---	--	---	--	---	--	---	--	---
TOTAL, PERSONNEL AND COMMAND SUPPORT EQUIPMENT......		409,471		337,318		401,041		-8,430		+63,723

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SPARES & REPAIR PARTS										
SPARES AND REPAIR PARTS	--	547,405	--	544,305	--	547,405	--	---	--	+3,100
REDUCTION, SPARES & REPAIR PARTS	--	---	--	-17,500	--	---	--	---	--	+17,500
INFLATED COST ESTIMATES (SPARES)	--	---	--	---	--	---	--	---	--	---
OUTFITTING EQUIPMENT	--	---	--	---	--	---	--	---	--	---
SHIP OVERHAUL REDUCTION	--	---	--	---	--	---	--	---	--	---
TRANSFER TO ENTERPRISE (SCN)	--	---	--	-15,300	--	---	--	---	--	+15,300
TOTAL, OTHER PROCUREMENT, NAVY		4,915,000		4,636,485		6,150,432		+1,235,432		+1,513,947

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
PROCUREMENT, MARINE CORPS										
AMMUNITION										
5.56 MM, ALL TYPES....................................	--	11,825	--	11,825	--	11,825	--	---	--	---
7.62 MM, ALL TYPES....................................	--	1,132	--	1,132	--	1,132	--	---	--	---
LINEAR CHARGES, ALL TYPES.............................	--	2,611	--	2,611	--	2,611	--	---	--	---
.50 CALIBER...	--	12,037	--	12,037	--	12,037	--	---	--	---
40 MM, ALL TYPES......................................	--	22,531	--	22,531	--	22,531	--	---	--	---
60MM ILLUM M721.......................................	--	7,586	--	7,586	--	7,586	--	---	--	---
60MM SMOKE WP...	--	3,066	--	3,066	--	3,066	--	---	--	---
60MM HE M888..	--	---	--	---	--	---	--	---	--	---
81MM HE...	--	2,291	--	2,291	--	2,291	--	---	--	---
81MM SMOKE RP M819....................................	--	---	--	---	--	---	--	---	--	---
81MM TP M879..	--	9,988	--	9,988	--	9,988	--	---	--	---
120MM HEAT MP-T M830..................................	--	8,848	--	8,848	--	8,848	--	---	--	---
120MM APFSDS-T M829E1.................................	--	12,047	--	12,047	--	12,047	--	---	--	---
120MM TPCSDS-T M865...................................	--	9,645	--	9,645	--	9,645	--	---	--	---
120MM TP-T M831.......................................	--	8,632	--	8,632	--	8,632	--	---	--	---
155MM HE ADAM...	--	---	--	---	--	---	--	---	--	---
155MM HE RAAMS..	--	---	--	---	--	---	--	---	--	---
155MM HE M107...	--	38,007	--	38,007	--	38,007	--	---	--	---
155MM HE DP ICM M483..................................	--	---	--	---	--	---	--	---	--	---
155MM CHG. PROP. RED BAG..............................	--	---	--	---	--	---	--	---	--	---
155MM PROJ M864 BASEBURNER............................	--	5,875	--	5,875	--	5,875	--	---	--	---
155MM CHARGE WHITE BAG................................	--	2,818	--	2,818	--	2,818	--	---	--	---
FUZES, PRIMER PERCUSSION..............................	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
155MM CHARGE GREEN BAG	--	1,860	--	1,860	--	1,860	--	---	--	---
FUZE, PD, M739A1	--	5,269	--	5,269	--	5,269	--	---	--	---
83MM ROCKET HEAA (SMAW)	--	28,357	--	28,357	--	---	--	-28,357	--	-28,357
LIGHT ANTI-ARMOR WEAPON	--	3,342	--	3,342	--	3,342	--	---	--	---
GRENADE SMOKE SCREEN (IR) M76	--	---	--	---	--	---	--	---	--	---
GRENADE SMOKE SCREEN (RP) L8B3	--	---	--	---	--	---	--	---	--	---
GRENADE HAND SMOKE GREEN M18	--	---	--	---	--	---	--	---	--	---
GRENADE HAND SMOKE YELLOW M18	--	---	--	---	--	---	--	---	--	---
SIGNAL ILLUM GRD GRN M125	--	---	--	---	--	---	--	---	--	---
SIGNAL ILLUM WS127	--	---	--	---	--	---	--	---	--	---
9MM ALL TYPES	--	---	--	---	--	---	--	---	--	---
GRENADES, ALL TYPES	--	8,672	--	8,672	--	8,672	--	---	--	---
AMMO MODERNIZATION	--	11,051	--	11,051	--	11,051	--	---	--	---
OTHER SUPPORT										
ITEMS LESS THAN $2 MIL	--	4,911	--	4,911	--	4,911	--	---	--	---
UNALLOCATED INCREASE - AMMUNITION	--	---	--	50,000	--	---	--	---	--	-50,000
TOTAL, AMMUNITION		222,401		272,401		194,044		-28,357		-78,357
WEAPONS AND COMBAT VEHICLES										
TRACKED COMBAT VEHICLES										
AAV7A1 PIP	--	12,947	--	12,947	--	12,947	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MODIFICATION KITS....................................	--	3,000	--	3,000	--	3,000	--	---	--	---
M-1 A1 MAIN BATTLE TANK (MYP)........................	155	396,340	155	396,340	155	396,340	--	---	--	---
M-1 A1 MAIN BATTLE TANK (MYP) (AP-CY)................	--	120,300	--	120,300	--	120,300	--	---	--	---
ITEMS UNDER $2M (TRKD VEH)...........................	--	794	--	794	--	794	--	---	--	---
ARTILLERY AND OTHER WEAPONS										
ITEMS UNDER $2M (ALL OTHER)..........................	--	2,568	--	2,568	--	2,568	--	---	--	---
WEAPONS										
9MM HANDGUN..	--	---	--	---	--	---	--	---	--	---
5.56MM SQUAD AUTOMATIC WEAPON........................	1,297	5,417	1,297	5,417	1,297	5,417	--	---	--	---
M16A2 5.56MM RIFLE...................................	--	---	--	---	--	---	--	---	--	---
MK-19 40MM MACHINE GUN...............................	123	1,858	123	1,858	123	---	--	-1,858	--	-1,858
TOTAL, WEAPONS AND COMBAT VEHICLES..................		543,224		543,224		541,366		-1,858		-1,858
GUIDED MISSILES AND EQUIPMENT										
GUIDED MISSILES										
HAWK (MYP)...	--	---	--	---	--	---	--	---	--	---
HAWK (MYP) (AP-CY)...................................	--	---	--	---	--	---	--	---	--	---
HAWK MOD...	--	1,073	--	1,073	--	1,073	--	---	--	---
STINGER (MYP)..	--	---	--	---	--	---	--	---	--	---
DRAGON PIP...	--	---	--	---	--	---	--	---	--	---
DRAGON...	--	---	--	---	--	---	--	---	--	---
TOW (MYP)..	839	9,982	839	9,982	839	9,982	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER SUPPORT										
MODIFICATION KITS	--	---	--	---	--	---	--	---	--	---
TOTAL, GUIDED MISSILES AND EQUIPMENT		11,055		11,055		11,055		---		---
COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
MANPACK RADIOS										
MANPACK RADIOS AND EQUIP	--	4,271	--	4,271	--	4,271	--	---	--	---
VEHICLE MOUNTED RADIOS AND EQUIPMENT										
VECHICLE MTD RADIOS & EQUIPMENT (MYP)	--	42,490	--	42,490	--	42,490	--	---	--	---
TELEPHONE AND TELETYPE EQUIPMENT										
UNIT LEVEL CIRCUIT SWITCH (ULCS)	--	48,217	--	48,217	--	48,217	--	---	--	---
TACT COMM CENTER EQUIP	--	7,723	--	7,723	--	7,723	--	---	--	---
AN/PSG( ) DIGITAL COMM TERMINAL	174	3,554	174	3,554	174	3,554	--	---	--	---
REPAIR AND TEST EQUIPMENT										
SWEEP GENERATOR	--	3,271	--	3,271	--	3,271	--	---	--	---
AUTO TEST EQUIP SYS	--	---	--	---	--	---	--	---	--	---
ELECTRONIC TEST EQUIP (TEL)	--	4,669	--	4,669	--	4,669	--	---	--	---
AN/GRM-114A RADIO TEST SET	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER COMM/ELEC EQUIPMENT										
ANDVT/TACTERM..	--	---	--	---	--	---	--	---	--	---
OTHER SUPPORT (TEL)										
TEST CALIB + MAINT SPT..................................	--	---	--	---	--	---	--	---	--	---
MODIFICATION KITS (TEL)................................	--	5,133	--	5,133	--	5,133	--	---	--	---
ITEMS LESS THAN $2M (TEL)..............................	--	2,599	--	2,599	--	2,599	--	---	--	---
COMMAND + CONTROL SYSTEMS (NON-TEL)										
POS LOCATING RPTG SYSTEM (PLRS)........................	2	54,815	2	54,815	2	54,815	--	---	--	---
TACTICAL AIR OPER MODULE (TAOM)........................	5	46,639	5	46,639	5	46,639	--	---	--	---
TACTICAL RECEIVER EQUIPMENT SET........................	--	---	--	---	--	---	--	---	--	---
INTELL/COMM EQUIPMENT (NON-TEL)										
LEWDD..	10	2,389	10	2,389	10	2,389	--	---	--	---
INTELLIGENCE SUPPORT EQUIPMENT.........................	--	4,379	--	4,379	--	4,379	--	---	--	---
MOD KITS (INTEL).......................................	--	3,939	--	3,939	--	3,939	--	---	--	---
ITEMS LESS THAN $2M (INTELL)...........................	--	922	--	922	--	922	--	---	--	---
REPAIR + TEST EQUIPMENT (NON-TEL)										
AN/USM-489 SPECTRUM ANALYZER, PORTABLE.................	107	4,094	107	4,094	107	4,094	--	---	--	---
STE/ICE SIMPLE TEST EQ.................................	--	---	--	---	--	---	--	---	--	---
MECH TEST TMDE...	--	1,196	--	1,196	--	1,196	--	---	--	---
AN/UPM-137 RADAR TEST SET..............................	--	---	--	---	--	---	--	---	--	---
ELECTRONIC TEST EQUIP (NONTEL).........................	--	1,797	--	1,797	--	1,797	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER COMM/ELEC EQUIPMENT (NON-TEL)										
NIGHT VISION EQUIPMENT..................................	--	---	--	---	--	---	--	---	--	---
ADP EQUIPMENT...	--	17,486	--	17,486	--	17,486	--	---	--	---
OTHER SUPPORT (NON-TEL)										
TEST CALIB & MAINT SPT (NON-TEL)........................	--	1,497	--	1,497	--	1,497	--	---	--	---
MODIFICATION KITS (NONTEL)..............................	--	8,669	--	8,669	--	8,669	--	---	--	---
ITEMS LESS THAN $2M (NON-TEL)...........................	--	1,252	--	1,252	--	1,252	--	---	--	---
TOTAL, COMMUNICATIONS AND ELECTRONICS EQUIPMENT.....		271,001		271,001		271,001		---		---
SUPPORT VEHICLES										
ADMINISTRATIVE VEHICLES										
COMMERCIAL PASSENGER VEHICLES...........................	142	1,996	142	1,996	142	1,996	--	---	--	---
COMMERCIAL CARGO VEHICLES...............................	--	12,981	--	12,981	--	12,981	--	---	--	---
TACTICAL VEHICLES										
5-TON TRUCKS (MYP)......................................	--	2,644	--	2,644	--	2,644	--	---	--	---
LOGISTICS VEHICLE SYSTEM (MYP)..........................	--	---	--	---	--	---	--	---	--	---
TRAILERS..	--	2,051	--	2,051	--	2,051	--	---	--	---

COMMITTEE RECOMMENDED ADJUSTMENTS

83 mm, rocket, HEAA [SMAW].—The amended budget submission by the Marine Corps requests $28,357,000 for the procurement of 83 mm high explosive antiarmor [HEAA] rockets in fiscal year 1990.

Marine Corps officials have informed the Committee that the fiscal year 1989 procurement of HEAA rockets was canceled because of problems with the technical data package and projected high unit cost. Further, the Marine Corps has informed the Committee that the fiscal year 1990 program is unexecutable.

The Committee, therefore, denies the Marine Corps request for 83 mm HEAA rocket procurement in fiscal year 1990.

MK-19, 40 mm machine gun.—The Marine Corps' amended fiscal year 1990 budget submission requests $1,858,000 for the procurement of the MK-19, 40 mm grenade launcher in fiscal year 1990.

For the reasons discussed in the weapons and tracked combat vehicles, Army section of this report, the Marine Corps' fiscal year 1990 request is denied.

HOUSE ADJUSTMENTS

The Committee does not recommend accepting the following House adjustment:

[In thousands of dollars]

	Budget request	House allowance	Committee recommendation
General increase ammunition		+50,000	

AIRCRAFT PROCUREMENT, AIR FORCE

Appropriations, 1989	$15,922,499,000
Budget estimate, 1990	16,787,200,000
House allowance	14,531,196,000
Committee recommendation	15,815,530,000

The Committee recommends an appropriation of $15,815,530,000, a reduction of $971,670,000 from the budget request and $1,284,334,000 above the House allowance.

This appropriation finances the construction, procurement, modernization, and modification of aircraft and equipment, including armor and armament, specialized ground-handling equipment, and flight training simulators, spare parts, and accessories; specialized equipment; and expansion of public and private plants, Government-owned equipment and installation.

COMMITTEE RECOMMENDED PROGRAM

The program recommended by the Committee funds all but two of the aircraft requested by the Air Force. The adjustments made are based on the Committee's estimate of the funds required to purchase the requested aircraft. The Committee is particularly concerned with the funding simultaneously requested to procure B-2 bombers, while correcting and upgrading B-1B bombers, and modifying B-52 bombers to keep these aging assets in the active inventory. The Committee believes the requirement for all three bombers needs to be reviewed and carefully scrutinized by the Defense Department in assessing its force structure and budget request for fiscal year 1991. The specific funding recommendations are listed in the following table and discussed in the text below.

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER SUPPORT										
MODIFICATION KITS....................................	--	2,880	--	2,880	--	2,880	--	---	--	---
ITEMS LESS THAN $2 MIL..............................	--	650	--	650	--	650	--	---	--	---
TOTAL, SUPPORT VEHICLES.............................		23,202		23,202		23,202		---		---
ENGINEER AND OTHER EQUIPMENT										
ENGINEER AND EQUIPMENT										
ENVIRONMENTAL CONTROL EQUIP ASSORT.....................	--	68	--	68	--	68	--	---	--	---
HEAVY ROUGH TERRAIN CRANE..............................	--	---	--	---	--	---	--	---	--	---
LIGHT ROUGH TERRAIN CRANE..............................	18	1,052	18	1,052	18	1,052	--	---	--	---
TRACTORS, ALL TYPES....................................	--	---	--	---	--	---	--	---	--	---
FORKLIFTS, ALL TYPES...................................	--	---	--	---	--	---	--	---	--	---
FIELD BATH SHOWER UNIT.................................	--	---	--	---	--	---	--	---	--	---
FUEL & WATER PUMP & STORAGE MODULE.....................	--	---	--	---	--	---	--	---	--	---
POWER EQUIPMENT ASSORTED...............................	--	486	--	486	--	486	--	---	--	---
MATERIALS HANDLING EQUIPMENT										
COMMAND SUPPORT EQUIPMENT..............................	--	4,011	--	4,011	--	4,011	--	---	--	---
AMPHIBIOUS RAID EQUIPMENT..............................	--	199	--	199	--	199	--	---	--	---
PRODUCTIVITY INVESTMENT................................	--	10,550	--	10,550	--	10,550	--	---	--	---
PHYSICAL SECURITY EQUIPMENT............................	--	299	--	299	--	299	--	---	--	---
GARRISON MOBILE ENGR EQUIP.............................	--	4,493	--	4,493	--	4,493	--	---	--	---
TELEPHONE SYSTEM.......................................	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
WAREHOUSE MODERNIZATION..............................	--	2,496	--	2,496	--	2,496	--	---	--	---
HQMC ITEMS...	--	---	--	---	--	---	--	---	--	---
MATERIAL HANDLING EQUIP..............................	--	2,435	--	2,435	--	2,435	--	---	--	---
GENERAL PROPERTY										
LIGHTWEIGHT DECONTAMINATION SYSTEM...................	--	---	--	---	--	---	--	---	--	---
DRY CHEMICAL FIRE EXTINGUISHER.......................	300	3,138	300	3,138	300	3,138	--	---	--	---
TRAINING DEVICES (AUDIO VISUAL)......................	--	---	--	---	--	---	--	---	--	---
TRAINING DEVICES (SIMULATORS)........................	--	---	--	---	--	---	--	---	--	---
TRAINING DEVICES.....................................	--	5,013	--	5,013	--	5,013	--	---	--	---
SHELTER FAMILY.......................................	--	13,818	--	13,818	--	13,818	--	---	--	---
CONTAINER FAMILY.....................................	--	12,217	--	12,217	--	12,217	--	---	--	---
OTHER SUPPORT										
ITEMS LESS THAN $2 MIL...............................	--	3,804	--	3,804	--	3,804	--	---	--	---
TOTAL, ENGINEER AND OTHER EQUIPMENT.................		64,079		64,079		64,079		---		---
SPARES & REPAIR PARTS										
SPARES AND REPAIR PARTS..............................	--	61,838	--	61,838	--	61,838	--	---	--	---
MODERNIZATION OF EQUIPMENT - O & M TRANSFER..........	--	---	--	---	--	5,900	--	+5,900	--	+5,900
INDUSTRIAL/DEPOT MAINTENANCE EQUIPMENT...............	--	---	--	---	--	3,400	--	+3,400	--	+3,400
TOTAL, PROCUREMENT, MARINE CORPS....................		1,196,800		1,246,800		1,175,885		-20,915		-70,915

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIRCRAFT PROCUREMENT, AIR FORCE										
COMBAT AIRCRAFT										
STRATEGIC OFFENSIVE										
B-1B	--	9,960	--	---	--	---	--	-9,960	--	---
B-2A	3	2,107,974	2	1,607,974	3	1,807,974	--	-300,000	+1	+200,000
B-2A (AP)	--	409,800	--	169,800	--	409,800	--	---	--	+240,000
TACTICAL FORCES										
F-15 D/E	36	1,338,807	36	1,235,207	36	1,338,807	--	---	--	+103,600
F-15 D/E (AP-CY)	--	115,800	--	115,800	--	115,800	--	---	--	---
F-16 C/D (MYP)	150	2,507,011	150	2,507,011	150	2,507,011	--	---	--	---
F-16 C/D (MYP) (AP-CY)	--	556,100	--	556,100	--	556,100	--	---	--	---
OTHER COMBAT AIRCRAFT										
MC-130H - SOF	2	241,848	--	104,148	2	241,848	--	---	+2	+137,700
AC-130U GUNSHIP - SOF	5	239,040	5	239,040	5	239,040	--	---	--	---
AC-130U GUNSHIP - SOF (AP-CY)	--	---	--	---	--	---	--	---	--	---
TOTAL, COMBAT AIRCRAFT		7,526,340		6,535,080		7,216,380		-309,960		+681,300

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIRLIFT AIRCRAFT										
TACTICAL AIRLIFT										
C-17	6	1,523,971	4	1,160,071	4	1,160,071	-2	-363,900	--	---
C-17 (AP-CY)	--	167,600	--	99,700	--	99,700	--	-67,900	--	---
OTHER AIRLIFT										
C-27A	5	74,386	--	---	5	74,386	--	---	+5	+74,386
TOTAL, AIRLIFT AIRCRAFT		1,765,957		1,259,771		1,334,157		-431,800		+74,386
TRAINER AIRCRAFT										
OPERATIONAL TRAINERS										
TANKER, TRANSPORT, TRAINER SYSTEM	14	147,425	7	74,000	14	147,425	--	---	+7	+73,425
TOTAL, TRAINER AIRCRAFT		147,425		74,000		147,425		---		+73,425
OTHER AIRCRAFT										
HELICOPTERS										
MH-60G	4	52,822	4	52,822	4	52,822	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MISSION SUPPORT AIRCRAFT										
CIVIL AIR PATROL A/C	38	2,000	38	2,000	38	2,500	--	+500	--	+500
TR-1/U-2	--	---	--	---	--	---	--	---	--	---
TOTAL, OTHER AIRCRAFT		54,822		54,822		55,322		+500		+500
MODIFICATION OF INSERVICE AIRCRAFT										
STRATEGIC AIRCRAFT										
B-52	--	225,613	--	181,713	--	181,713	--	-43,900	--	---
B-1B	--	83,499	--	19,099	--	71,999	--	-11,500	--	+52,900
TACTICAL AIRCRAFT										
A-7	--	56,700	--	56,700	--	56,700	--	---	--	---
A-10	--	53,342	--	53,342	--	53,342	--	---	--	---
F/RF-4	--	64,900	--	64,900	--	64,900	--	---	--	---
F-5	--	---	--	---	--	---	--	---	--	---
F-15	--	215,536	--	180,536	--	215,536	--	---	--	+35,000
F-16	--	228,100	--	228,100	--	228,100	--	---	--	---
F-111	--	83,757	--	83,757	--	83,757	--	---	--	---
TR-1A	--	22,300	--	22,300	--	22,300	--	---	--	---
T/AT-37	--	16,900	--	16,900	--	16,900	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIRLIFT AIRCRAFT										
C-5	--	55,700	--	55,700	--	55,700	--	---	--	---
C-9	--	5,700	--	5,700	--	5,700	--	---	--	---
C-21	--	3,920	--	3,920	--	3,920	--	---	--	---
C-137	--	1,700	--	1,700	--	1,700	--	---	--	---
C-141	--	31,200	--	31,200	--	31,200	--	---	--	---
SOF C141	--	---	--	---	--	---	--	---	--	---
TRAINER AIRCRAFT										
T-38	--	12,700	--	12,700	--	12,700	--	---	--	---
T-43	--	10,200	--	10,200	--	10,200	--	---	--	---
VC-25A	--	---	--	---	--	---	--	---	--	---
OTHER AIRCRAFT										
KC-10A (ATCA)	--	12,100	--	12,100	--	12,100	--	---	--	---
C-12	--	3,500	--	3,500	--	3,500	--	---	--	---
C-18	--	200	--	200	--	200	--	---	--	---
C-20 MODS	--	200	--	200	--	200	--	---	--	---
C-130	--	117,050	--	117,050	--	117,050	--	---	--	---
SOF C130	--	107,400	--	107,400	--	107,400	--	---	--	---
C-135	--	488,310	--	737,610	--	488,310	--	---	--	-249,300
E-3	--	36,456	--	36,456	--	36,456	--	---	--	---
E-4	--	18,200	--	6,000	--	18,200	--	---	--	+12,200
E-8	--	800	--	800	--	800	--	---	--	---
H-1	--	---	--	---	--	---	--	---	--	---

COMMITTEE RECOMMENDED ADJUSTMENTS

B-1B bomber.—The budget includes $9,960,000 for depot support equipment for the ALQ-161 electronic counter measures system on the B-1B bomber. The ALQ-161 system has been the most troubled portion of the B-1B. Its final design configuration has not yet been determined. As such, the Committee believes it is still premature to provide depot support equipment and does not recommend any funding for this purpose. This is the same as recommended by the House.

B-2 advanced technology bomber.—The Committee recommends $1,807,974,000 for production of the B-2 program. This is consistent with the amount included in the Senate passed authorization bill and is $200,000,000 more than provided by the House.

Bomber force structure.—Throughout its hearings this year, the Committee expressed concern with the planned bomber force structure of the Strategic Air Command. The Air Force intends to spend millions of dollars to upgrade, operate and maintain B-52G's in the active inventory as conventional bombers, hundreds of millions of dollars to enhance the penetrating capability of the B-1B and invest additional billions of dollars to develop and procure the B-2 bomber. It is the understanding of the Committee that, among the three programs, continuation of the B-2 program is the highest priority of the Defense Department. Therefore, the Committee supports the authorized funding for the B-2 program.

As noted below and elsewhere in this report, the Committee has denied increases related to operating additional conventional B-52G bombers, and it has denied funds to modernize the B-52G and B-1B bombers. The Committee believes that funding for the B-2 program must be offset, in part, by reductions in funding for other elements in the bomber force, given the severe fiscal constraints facing the Defense Department in 1990 and in the next several years.

Nonetheless, the Committee is aware of past delays in the B-2 program and it remains concerned that the B-2 program could suffer additional setbacks. The Senate-passed authorization bill requires the B-2 to complete several testing milestones prior to the obligation of fiscal year 1990 production funds. The Committee concurs with the cautious position included in the Senate bill. While the Committee is optimistic that the B-2 can successfully pass these tests, it believes funding recommended for the B-2 program should be made available for other purposes, if the B-2 fails to meet these requirements. Therefore, the committee recommends bill language which allows the B-2 funds to be reallocated to B-52G and B-1B programs, if the B-2 fails to meet the conditions established in the authorization bill by April 1, 1990.

B-2 advance procurement.—The Committee recommends $409,800,000 for advance procurement to support acquisition of B-2 bombers in fiscal year 1991. The House reduced this request by $240,000,000. The Committee does not support reduction proposed by the House, because it would force expensive delays in the B-2 program.

F-15E.—The House reduced funds for the F-15E by $103,600,000 associated with shut-down costs of the F-15E. The Department of

Defense intends to terminate the F-15E program following fiscal year 1991. The Senate-passed authorization bill directs this termination. The Committee recommends the appropriation of the full amount requested to support planned procurement of the F-15E, with program termination to follow at the end of fiscal year 1991.

MC-130H combat talon.—The budget includes a request of $241,848,000 to complete production on the MC-130H combat talon aircraft program. The amount will provide for the acquisition of the last two special operations airlift aircraft. The Committee supports the amount requested. The House recommended a reduction of $137,700,000 from this program, deleting the two remaining aircraft.

C-17 airlift aircraft.—The Committee recommends $1,160,071,000 for procurement of four C-17 aircraft, a reduction of $363,900,000 and two aircraft from the level requested. This is the same as recommended by the House. The recommendation will hold C-17 production to the level funded in fiscal year 1989. The C-17 program has been experiencing significant delays. The scheduled first flight has slipped by 4 months, and additional delays are likely. The Congress has already appropriated funding for six production aircraft, and will increase that level to 10 aircraft with this recommendation. Considering the delays, and concurrency with flight testing, the Committee does not believe it is prudent to increase the production rate at this time. A reduction of $67,900,000 is recommended from advance procurement for the C-17, consistent with the reduction in production rate.

The Committee is also concerned with Air Force plans to increase C-17 tooling capacity in future years to 29 aircraft per year. It should be obvious that budgetary constraints during the next several years will hamper the production of increased numbers of aircraft. According to budgetary data, the Air Force has already received sufficient funds for tooling costs to produce 12 aircraft per year. The Committee believes that Congress should carefully review and approve expenditure of funds associated with any effort to increase this production rate. Therefore, the Committee directs that no funds provided for the C-17 shall be used for tooling costs for producing more than 12 aircraft per year, unless specifically approved by the Committees on Appropriations and Armed Services.

C-27A short take-off and landing aircraft.—The Committee recommends $74,386,000 for the acquisition of five C-27A aircraft in support of U.S. Southern Command operational requirements. This is the same as requested in the budget. The House provided no funds for this program.

Tanker-transport training system.—The House provided $74,000,000 for the Air Force tanker-transport training system [TTTS], a reduction of $73,425,000 from the amount requested. The Committee recommends $147,425,000, the amount requested for purchase of 14 TTTS aircraft.

B-52 modifications.—The budget requests $225,613,000 for multiple modifications for B-52 bombers. The Committee concern on bomber force structure is addressed at the onset of this section of this report. Pursuant to that concern, the Committee recommends a reduction of $43,900,000 for modifications of B-52G aircraft which are specifically related to conventional missions. This amount is the same as reduced by the House.

B-1B modifications.—The Committee recommends $71,999,000 for safety of flight modifications for the B-1B bomber. This is $11,500,000 below the request and $52,900,000 above the House allowance.

F-15.—The House reduced funding for F-15 modifications by $35,000,000 for the F-15 multistage improvement program. The Committee does not concur with the House recommendation, and provides the amount requested, $215,536,000.

C-135 modifications.—The Committee recommends the appropriation of the $488,310,000 requested for several different modifications on C-135 aircraft. The House increased funding by $249,300,000 to increase the reengining of KC-135 tankers. The Committee does not support this unbudgeted increase, noting that at more than $15,800,000, the price of each KC-135 engine modification is higher than the flyaway cost of procuring a new F-16 fighter aircraft.

Spares and repair parts.—The budget request includes $3,760,668,000 for purchase of initial and replenishment spares and repair parts. The Committee recommends a reduction of $337,000,000 from the amount requested and $340,700,000 above the House. The allowance reduces funds for initial spare parts by $110,100,000 for the C-17, F-16 and AC-130U programs. The Committee also recommends a reduction of $17,000,000 from repair parts for B-52G aircraft, because of the guidance provided elsewhere in this report to retire one squadron of these aircraft. Furthermore, the allowance reduces replenishment spares by $257,900,000 based on the review of GAO. Finally, an increase of $47,000,000 is recommended in replenishment spares for a classified program. The total appropriation recommended by the Committee for spares and repair parts is $3,423,668,000.

Common AGE.—The Committee recommends $214,376,000 for common AGE (associated ground equipment), a reduction of $16,240,000 from CAST, $59,170,000 from ground powered generators, and $10,000,000 from a classified program. This amount is $58,327,000 below the House recommendation.

Industrial responsiveness.—The House reduced funding for industrial responsiveness by $10,000,000 based on excessive growth in capital rehabilitation projects. The Committee concurs with the intent of the House, but reduces the amount by $20,000,000 noting excessive real growth and a lack of proper justification for the capital projects.

War consumables.—The Committee recommends $51,924,000 for war consumables, as requested. The Committee does not agree with the House in deleting this program.

Other production charges.—The budget request includes $584,430,000 for other production charges. The Committee reduces this request by $7,000,000 based on delays in the Tacit Rainbow Program. The Committee recommendation is $100,662,000 below the House.

Common ground equipment.—The Committee recommends $109,153,000 for special operations common ground equipment as requested. The House provided $56,265,000 for this program.

Other adjustments.—The Committee recommends $2,500,000 for Civil Air Patrol, an increase of $500,000 above the request and the House allowance. Funding for other aircraft modifications is reduced by $20,500,000. The Committee recommendation is $32,500,000 above the House allowance.

MISSILE PROCUREMENT, AIR FORCE

Appropriations, 1989	$7,219,683,000
Budget estimate, 1990	7,382,200,000
House allowance	6,544,612,000
Committee recommendation	7,231,724,000

The Committee recommends an appropriations of $7,231,724,000. This recommendation is $150,476,000 below the President's amended budget request and $687,112,000 more than the House allowance.

This appropriation provides financing for the construction, procurement, and modification of missiles, rockets, spacecraft, and related equipment, including investment and repair parts, groundhanding equipment, and training devices; and the expansion of public and private plants, Government-owned equipment, and installations.

COMMITTEE RECOMMENDED PROGRAM

The following table details the Committee recommendations in comparison to the budget request and the House allowance:

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
H-3 AIRCRAFT SYSTEM....................................	--	700	--	700	--	700	--	---	--	---
HH-53 AIRCRAFT..	--	31,000	--	31,000	--	31,000	--	---	--	---
SOF HH-53...	--	---	--	---	--	---	--	---	--	---
H-60..	--	7,200	--	7,200	--	7,200	--	---	--	---
OTHER AIRCRAFT..	--	120,023	--	67,023	--	99,523	--	-20,500	--	+32,500
SOF OTHER AIRCRAFT....................................	--	6,700	--	6,700	--	6,700	--	---	--	---
OV-10..	--	2,100	--	2,100	--	2,100	--	---	--	---
CIVIL RESERVE AIRCRAFT FLEET (CRAF)..................	--	900	--	900	--	900	--	---	--	---
OTHER MODIFICATIONS										
CLASSIFIED PROJECTS....................................	--	49,863	--	49,863	--	49,863	--	---	--	---
SOF CLASSIFIED PROJECTS..............................	--	9,400	--	9,400	--	9,400	--	---	--	---
TOTAL, MODIFICATION OF INSERVICE AIRCRAFT...........		2,183,869		2,224,669		2,107,969		-75,900		-116,700
AIRCRAFT SPARES AND REPAIR PARTS										
AIRCRAFT SPARES + REPAIR PARTS										
SPARES AND REPAIR PARTS...............................	--	3,760,668	--	3,082,968	--	3,423,668	--	-337,000	--	+340,700
TOTAL, AIRCRAFT SPARES AND REPAIR PARTS.............		3,760,668		3,082,968		3,423,668		-337,000		+340,700

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE										
COMMON AGE										
COMMON AGE	--	299,786	--	272,703	--	214,376	--	-85,410	--	-58,327
INDUSTRIAL RESPONSIVENESS										
INDUSTRIAL RESPONSIVENESS	--	57,566	--	47,566	--	37,566	--	-20,000	--	-10,000
WAR CONSUMABLES										
WAR CONSUMABLES	--	51,924	--	---	--	51,924	--	---	--	+51,924
OTHER PRODUCTION CHARGES										
OTHER PRODUCTION CHARGES	--	591,430	--	685,092	--	584,430	--	-7,000	--	-100,662
COMMON ECM EQUIPMENT										
COMMON ECM EQUIPMENT	--	228,838	--	228,838	--	228,838	--	---	--	---
COMMON SUPPORT - SOF										
COMMON GROUND EQUIP	--	109,153	--	56,265	--	109,153	--	---	--	+52,888
OTHER PRODUCTION CHARGES - SOF										
OTHER PRODUCTION CHARGES - SOF	--	9,422	--	9,422	--	9,422	--	---	--	---
MODERNIZATION OF EQUIPMENT - O & M TRANSFER	--	---	--	---	--	294,900	--	+294,900	--	+294,900
C-20 PRIOR YEAR SAVINGS	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
UNDISTRIBUTED REDUCTION................................	--	---	--	---	--	---	--	---	--	---
CLASSIFIED PROGRAMS..................................	--	---	--	---	--	---	--	---	--	---
TOTAL, AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE.....		1,348,119		1,299,886		1,530,609		+182,490		+230,723
TOTAL, AIRCRAFT PROCUREMENT, AIR FORCE..............		16,787,200		14,531,196		15,815,530		-971,670		+1,284,334

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MISSILE PROCUREMENT, AIR FORCE										
BALLISTIC MISSILES										
STRATEGIC										
PEACEKEEPER (M-X)	12	771,000	12	691,000	12	741,000	--	-30,000	--	+50,000
PEACEKEEPER (M-X) (AP-CY)	--	163,607	--	---	--	163,607	--	---	--	+163,607
MISSILE REPLACEMENT EQUIPMENT - BALLIST										
MISSILE REPLACEMENT EQ-BALLISTIC	--	58,892	--	58,892	--	58,892	--	---	--	---
TOTAL, BALLISTIC MISSILES		993,499		749,892		963,499		-30,000		+213,607
OTHER MISSILES										
STRATEGIC										
SRAM II	--	4,415	--	---	--	4,415	--	---	--	+4,415
SRAM II (AP-CY)	--	6,376	--	---	--	6,376	--	---	--	+6,376
HAVE NAP	22	23,431	22	23,431	22	23,431	--	---	--	---
TACTICAL										
TACIT RAINBOW	--	---	--	---	--	---	--	---	--	---
AIM-7F/M SPARROW	--	---	--	---	--	---	--	---	--	---
AIM-9L/M SIDEWINDER	--	452	--	452	--	452	--	---	--	---
AGM-65D MAVERICK (MYP)	2,270	177,458	2,710	282,849	2,270	177,458	--	---	-440	-105,391
AGM-65D MAVERICK (MYP) (AP-CY)	--	10,800	--	---	--	10,800	--	---	--	+10,800

COMMITTEE RECOMMENDED ADJUSTMENTS

MX Peacekeeper missile.—The President's amended budget submission includes $771,000,000 for the procurement of 12 MX Peacekeeper missiles in fiscal year 1990 and $163,607,000 for advance procurement of long-lead items required for future year production.

Within the Peacekeeper budget request is $80,000,000 for the procurement of five MK–21 reentry systems to be used with test missile assets in order to maintain a full alert status of 50 missiles, while transitioning MX missile basing from silos to the rail garrison configuration. The House denied the funding for the additional reentry systems, stating the extra insurance was not worth the investment. The Committee does not agree with the full House reduction, but does agree that budget limitations must be recognized. Therefore, the committee recommends deleting two of the five additional MK–21's requested and reduces the Peacekeeper program by $30,000,000.

The House also deleted all fiscal year 1990 advance procurement for the MX missile, providing no explanation for their action. The Committee does not agree with the House adjustment.

AMRAAM.—The fiscal year 1990 amended budget requests $902,876,000 for the procurement of 1,450 advanced medium range air-to-air missiles [AMRAAM].

The Committee remains very concerned with the progress of the AMRAAM testing program. First, the most recent flight test, the so-called World War III test shot, was scored a no test by the Air Force when none of the four missiles hit their assigned targets. Second, the corrections to the flight dynamic and umbilical separation problems have not been fully tested and verified. Finally, changes to the software continue and, thus, a final production configuration has not been certified.

The Committee also notes that the contractors are behind schedule in delivery of missiles from Lot I production contracts. The original Lot I delivery schedule called for the prime producer to deliver 105 missiles by July 1989. As of May of this year, the prime had delivered only 33 of the 105 missiles. Similarly, the second source's Lot I schedule called for delivery of 75 missiles by July of this year; however by May, the second source had delivered only 16 missiles.

Because the Air Force has not yet met many of the AMRAAM's important performance requirements, verified the designed corrections, nor completed the software configuration for production, the Committee does not believe that the Defense Acquisition Board [DAB] should approve full rate production authority for fiscal year 1990. Therefore, the Committee recommends that the AMRAAM production rate be held to fiscal year 1989 levels until the problems identified in this program have been resolved. The Committee recommends an appropriation of $820,000,000 for fiscal year 1990, a reduction of $82,876,000 from the request.

Space shuttle operations.—The amended budget submission includes $46,087,000 for space shuttle operations in fiscal year 1990. This request finances the procurement of space shuttle upper stages to support tules delta class II [PAM-D II]. The request also procures shuttle operational support equipment for various Air Force locations.

The Government Accounting Office [GAO] reports that funds withdrawn from the IUS program in fiscal year 1988 to fund other Air Force requirements have been returned to the space shuttle operations program. These funds were originally budgeted for an upgrade to the systems integration laboratory [SIL] launch processing program. Since the Air Force has cancelled the SIL upgrade program, these funds are not excess to budgeted requirements. The Committee notes that the Air Force can use these excess funds to partially fund their fiscal year 1990 requirements and recommends a reduction of $13,000,000 in the fiscal year 1990 program.

Defense support program.—In briefing to subcommittee personnel, the prime contractor of the defense support program identified program savings from a very successful total quality management [TQM] program. The Committee recommends using these savings to bring about a reduction of $25,000,000 from the fiscal year 1990 amended budget request of $359,330,000 for the defense support program.

Space boosters.—The Air Force has budgeted $209,281,000 in fiscal year 1990 to procure three Titan IV launch vehicles, associated solid rocket motor upgrades [SRMU], and aerospace ground equipment [AGE].

The Committee agrees with the House objection to the Air Forces' plan to terminate production of the existing Titan IV solid rocket motor [SRM] in favor of an upgraded composite motor know as the solid rocket motor upgrade [SRMU].

The development problems in the SRMU program have delayed achievement of initial launch capability to at least the second quarter of fiscal year 1992. The Air Force now acknowledges that the development of a new, more capable motor has proved to be far more difficult than first envisioned. The development program is at least 1 year behind schedule, and holds the possibility of further delays.

This Committee has always been concerned with the ability of this country to have a flexible, robust space launch capability that is not solely dependant on one vehicle or system to place military payloads into orbit. The concept of assured access to space lay behind this Committee's efforts to assure adequate backup systems in our space program a year before the shuttle accident. It is for these reasons that this Committee is recommending that the Air Force not terminate the SRM program until it can be demonstrated that the SRMU development is complete and that a catastrophic failure will not set back our ability to lift heavy military payloads into orbit.

The Committee recommends the procurement of three sets of solid rocket motors, in lieu of the three sets of solid rocket motor upgrades budgeted by the Air Force. Further, the Committee reduces the program by $20,000,000 to reflect the lower cost of the SRM's in comparison with the SRMU's.

Medium launch vehicle.—The Air Force's amended fiscal year 1990 budget submission requests $137,286,000 for medium launch vehicles. This program proposes to procure two Atlas II rockets and two Delta II rockets in fiscal year 1990.

Within this program, the Air Force budget provides for mission success incentives to be paid to the contractor at a rate of $3,000,000 for each successful launch. Six launches were scheduled in fiscal year 1989 and $18,000,000 was budgeted for these incentive payments. Because of delays in the program, only four flights occurred in fiscal year 1989, resulting in a $6,000,00 reduction in required incentive payments. Included within the current budget request is an additional $18,000,000 in incentives for six launches in fiscal year 1990. The program office has not adjust the budget to reflect that only five launches will occur in fiscal year 1990, resulting in a $3,000,000 reduction in required incentive payments. The Committee, therefore, recommends a total reduction of $9,000,000 in the medium launch vehicle program in recognition of the identified excess funding.

HOUSE ADJUSTMENTS

The Committee does not recommend accepting the following House adjustments:

[In thousands of dollars]

	Budget request	House allowance	Committee recommendation
SRAM II	4,415		4,415
(AP-CY)	6,376		6,376
AGM-65D Maverick	177,458	282,849	177,458
(AP-CY)	10,800		10,800
AGM-88A Harm	79,339	188,638	79,339
Spare and repair parts	259,411	181,161	259,411
Global positioning satellite	70,291	36,291	70,291

OTHER PROCUREMENT, AIR FORCE

Appropriations, 1989	$8,188,638,000
Budget estimate, 1990	8,561,800,000
House allowance	8,087,219,000
Committee recommendation	8,273,799,000

The Committee recommends an appropriation of $8,273,799,000 for the "Other procurement, Air Force" account. The recommendation is a decrease of $288,001,000 from the budget request and $186,580,000 more than the House allowance.

This appropriation provides for the procurement of weapons systems and equipment other than aircraft and missiles. Included are munitions, other weapons, vehicles, electronic and telecommunications systems for command and control of operational forces, and ground support equipment for weapons systems and supporting structure.

COMMITTEE RECOMMENDED PROGRAM

During our review of the "Other procurement, Air Force" appropriation budget request, the Committee found that funds were being requested in fiscal year 1990 when, in fact, they were not required until fiscal year 1991.

This misalignment of funds and requirements occurred for several reasons: planned contract awards had slipped, development programs suffered problems during testing, and delays in deliveries of previously funded quantities had created production backlogs.

The Committee's recommendations have recognized these program delays and adjusted fiscal year 1990 funding as required. In those cases where all funding is deleted for programs whose prior year deliveries will continue through fiscal year 1990, the Committee does not intend that the programs be considered new starts in fiscal year 1991, nor that they be considered terminations in 1990.

The following table details the Committee recommendation in comparison to the budget request and the House allowance.

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AGM-88A HARM	326	79,339	826	188,639	326	79,339	--	---	-500	-109,300
AMRAAM	1,456	902,876	815	687,776	874	820,000	-576	-82,876	+59	+132,224
GRD LAUNCH CRUISE MISSILE	--	---	--	---	--	---	--	---	--	---
TARGET DRONES										
TARGET DRONES	49	22,497	49	22,497	49	22,497	--	---	--	---
INDUSTRIAL FACILITIES										
INDUSTRIAL PREPAREDNESS	--	13,945	--	13,945	--	13,945	--	---	--	---
MISSILE REPLACEMENT EQUIPMENT - OTHER										
MISSILE REPLACEMENT EQ-OTHER	--	2,045	--	2,045	--	2,045	--	---	--	---
TOTAL, OTHER MISSILES		1,243,634		1,221,634		1,160,758		-82,876		-60,876
MODIFICATION OF INSERVICE MISSILES										
CLASS IV										
HAVE NAP	--	997	--	997	--	997	--	---	--	---
MM II/III MODIFICATIONS	--	92,680	--	92,680	--	92,680	--	---	--	---
AGM-65D MAVERICK	--	9,968	--	9,968	--	9,968	--	---	--	---
AGM-88A HARM	--	1,410	--	1,410	--	1,410	--	---	--	---
AIR LAUNCH CRUISE MISSILE	--	3,886	--	3,886	--	3,886	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
PEACEKEEPER (M-X).................................	--	1,862	--	1,862	--	1,862	--	---	--	---
MODIFICATIONS UNDER $2.0M..............................	--	247	--	247	--	247	--	---	--	---
SHRIKE (G-BIAS MOD).................................	--	---	--	---	--	---	--	---	--	---
AIM-9 (GUIDANCE MOD)................................	--	---	--	---	--	---	--	---	--	---
		------------		------------		------------		------------		------------
TOTAL, MODIFICATION OF INSERVICE MISSILES...........		111,050		111,050		111,050		---		---
		============		============		============		============		============
MISSILE SPARES + REPAIR PARTS										
SPARES AND REPAIR PARTS............................	--	259,411	--	181,161	--	259,411	--	---	--	+78,250
OTHER SUPPORT										
SPACE PROGRAMS										
SPACEBORNE EQUIP (COMSEC)............................	--	20,540	--	20,540	--	20,540	--	---	--	---
GLOBAL POSITIONING (MYP)............................	--	70,291	--	36,291	--	70,291	--	---	--	+34,000
SPACE SHUTTLE OPERATIONS............................	--	46,087	--	26,287	--	33,087	--	-13,000	--	+6,800
DEF METEOROLOGICAL SAT PROG (MYP)....................	1	80,387	1	80,387	1	80,387	--	---	--	---
DEF METEOROLOGICAL SAT PROG (MYP) (AP-CY).............	--	56,993	--	56,993	--	56,993	--	---	--	---
DEFENSE SUPPORT PROGRAM (MYP)........................	1	359,330	1	310,530	1	334,330	--	-25,000	--	+23,800
DEFENSE SUPPORT PROGRAM (MYP) (AP-CY).................	--	12,300	--	12,300	--	12,300	--	---	--	---
DEFENSE SATELLITE COMM SYSTEM (MYP)..................	--	49,090	--	49,090	--	49,090	--	---	--	---
SPACE BOOSTERS (MYP)................................	3	209,281	3	283,781	3	189,281	--	-20,000	--	-94,500
SPACE BOOSTERS (MYP) (AP-CY).........................	--	50,300	--	50,300	--	50,300	--	---	--	---
MEDIUM LAUNCH VEHICLE (MYP)..........................	4	137,286	4	127,686	4	128,286	--	-9,000	--	+600
MEDIUM LAUNCH VEHICLE (MYP) (AP-CY)..................	--	39,400	--	39,400	--	39,400	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SPECIAL PROGRAMS										
FOREST GREEN	--	517	--	517	--	517	--	---	--	---
SPECIAL PROGRAMS	--	3,182,705	--	3,163,605	--	3,182,705	--	---	--	+19,100
SPECIAL UPDATE PROGRAMS	--	131,168	--	23,168	--	131,168	--	---	--	+108,000
CLASSIFIED PROGRAMS	--	328,931	--	---	--	328,931	--	---	--	+328,931
MODERNIZATION	--	---	--	---	--	29,400	--	+29,400	--	+29,400
UNDISTRIBUTED REDUCTION	--	---	--	---	--	---	--	---	--	---
AIM - 9P PRIOR YEAR SAVINGS	--	---	--	---	--	---	--	---	--	---
TOTAL, OTHER SUPPORT		4,774,606		4,280,875		4,737,006		-37,600		+456,131
TOTAL, MISSILE PROCUREMENT, AIR FORCE		7,382,200		6,544,612		7,231,724		-150,476		+687,112

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
OTHER PROCUREMENT, AIR FORCE										
MUNITIONS AND ASSOCIATED EQUIPMENT										
ROCKETS + LAUNCHERS										
2.75 INCH ROCKET MOTOR	68,491	15,612	68,491	15,612	68,491	15,612	--	---	--	---
2.75 INCH ROCKET HEAD - WP	80,078	6,039	80,078	6,039	80,078	6,039	--	---	--	---
LIGHT ANTI-TANK TACTICAL AT-4	--	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2,000,000	--	5,817	--	5,817	--	5,817	--	---	--	---
CARTRIDGES (THOUSANDS)										
9MM PARABELLUM	--	---	--	---	--	---	--	---	--	---
5.56 MM	35,022	5,370	2,371	3,270	35,022	5,370	--	---	+32,651	+2,100
20 MM COMBAT	1,341	4,665	1,341	4,665	1,341	4,665	--	---	--	---
20MM TRAINING	9,389	26,996	9,389	23,402	9,389	26,996	--	---	--	+3,594
30 MM TRAINING	7,082	58,744	7,082	55,150	7,082	58,744	--	---	--	+3,594
40MM TP GRENADES	--	---	--	---	--	---	--	---	--	---
40MM HE GRENADES	190	2,160	190	2,160	190	2,160	--	---	--	---
CART CHAFF RR-170	--	---	--	---	--	---	--	---	--	---
SIGNAL MK-4 MOD 3	1,516	1,759	1,516	1,759	1,516	1,759	--	---	--	---
MXU-4A/A ENGINE STARTER	--	---	--	---	--	---	--	---	--	---
CART IMP 3000 FT/LBS	--	---	--	---	--	---	--	---	--	---
ITEM LESS THAN 2.0M CARTRIDGES-SOF	--	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2,000,000	--	11,287	--	9,397	--	11,287	--	---	--	+1,890

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
BOMBS										
MK-82 INERT/BDU-50	--	---	33,980	8,462	--	---	--	---	-33,980	-8,462
BSU-49 INFLATABLE RETARDER	14,969	5,614	14,969	5,614	14,969	5,614	--	---	--	---
BSU-50 INFLATABLE RETARDER	--	---	--	---	--	---	--	---	--	---
BOMB HARD TARGET 2000LB	--	---	--	---	--	---	--	---	--	---
LASER BOMB GUIDANCE SYSTEM	159	9,900	159	9,900	159	9,900	--	---	--	---
GBU-15	--	13,800	--	400	--	13,800	--	---	--	+13,400
BOMB PRACTICE 25 POUND	1584,086	24,223	1584,086	24,223	1584,086	24,223	--	---	--	---
BOMB PRACTICE BDU-38	846	3,545	846	3,545	846	3,545	--	---	--	---
CBU-87 (COMBINED EFFECTS MUNITION)(MYP)	11,537	136,630	11,537	136,630	11,537	206,630	--	+70,000	--	+70,000
CBU-87 (COMBINED EFFECTS MUNITION)(MYP) (AP-CY)	--	20,000	--	---	--	---	--	-20,000	--	---
BIGEYE	--	6,916	--	6,916	--	6,916	--	---	--	---
ITEMS LESS THAN $2,000,000	--	292	--	292	--	292	--	---	--	---
TARGETS										
ITEMS LESS THAN $2,000,000	--	---	--	---	--	---	--	---	--	---
OTHER ITEMS										
FLARE, IR MJU-7B	182,311	6,606	182,311	6,606	182,311	6,606	--	---	--	---
PARACHUTE FLARE LUU-2 B/B	3,818	1,680	3,818	1,680	3,818	1,680	--	---	--	---
FLARE IR (B1B)	5,990	5,971	5,990	5,971	5,990	5,971	--	---	--	---
MJU-10B	--	---	--	---	--	---	--	---	--	---
SPARES AND REPAIR PARTS	--	8,052	--	8,052	--	8,052	--	---	--	---
MODIFICATIONS	--	199	--	199	--	199	--	---	--	---
ITEMS LESS THAN $2,000,000	--	17,074	--	17,074	--	17,074	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
FUZES										
FMU-139	36,213	25,148	36,213	25,148	36,213	25,148	--	---	--	---
ITEMS LESS THAN $2,000,000	--	1,302	--	1,302	--	1,302	--	---	--	---
OTHER WEAPONS										
M-203 GRENADE LAUNCHER	--	---	--	---	--	---	--	---	--	---
9MM HANDGUN	--	---	--	---	--	---	--	---	--	---
SQUAD AUTOMATIC WEAPON	1,200	1,970	1,200	1,970	1,200	1,970	--	---	--	---
HOST NATION SUPPORT WEAPONS	74	16,000	74	16,000	74	16,000	--	---	--	---
TOTAL, MUNITIONS AND ASSOCIATED EQUIPMENT		443,371		407,255		493,371		+50,000		+86,116
VEHICULAR EQUIPMENT										
PASSENGER CARRYING VEHICLES										
SEDAN, 4 DR 4X2	117	876	117	876	117	876	--	---	--	---
STATION WAGON, 4X2	61	482	61	482	61	482	--	---	--	---
BUS, 28 PASSENGER	16	630	16	630	16	630	--	---	--	---
BUS INTERCITY	4	687	4	687	4	687	--	---	--	---
BUS, 44 PASSENGER	56	3,642	56	3,642	56	3,642	--	---	--	---
AMBULANCE, BUS	5	459	5	459	5	459	--	---	--	---
MODULAR AMBULANCE	51	2,065	51	2,065	51	2,065	--	---	--	---
14-20 PASSENGER BUS	11	378	11	378	11	378	--	---	--	---
LAW ENFORCEMENT VEHICLE	130	1,348	130	1,348	130	1,348	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
CARGO + UTILITY VEHICLES										
TRUCK, STAKE/PLATFORM	517	7,355	517	7,355	517	7,355	--	---	--	---
TRUCK, CARGO-UTILITY, 3/4T, 4X4	255	4,171	255	4,171	255	4,171	--	---	--	---
TRUCK, CARGO-UTILITY, 1/2T, 4X2	286	4,118	286	4,118	286	4,118	--	---	--	---
TRUCK, PICKUP, 1/2T, 4X2	435	4,893	435	4,893	435	4,893	--	---	--	---
TRUCK MULTI-STOP 1 TON 4X2	410	8,111	410	8,111	410	8,111	--	---	--	---
TRUCK, PANEL, 4X2	--	---	--	---	--	---	--	---	--	---
TRUCK CARRYALL	210	3,505	210	3,505	210	3,505	--	---	--	---
COMMERCIAL UTILITY CARGO VEHICLE	34	544	34	544	34	544	--	---	--	---
TRUCK, CARGO, 2 1/2T, 6X6, M-35	--	---	--	---	--	---	--	---	--	---
TRUCK, CARGO 5T M-923.M-925 (MYP)	137	7,841	137	7,841	137	7,841	--	---	--	---
HIGH MOBILITY VEHICLE (MYP)	--	---	--	---	--	---	--	---	--	---
TRUCK TRACTOR, OVER 5T	69	3,092	69	3,092	69	3,092	--	---	--	---
TRUCK, DUMP 5 TON	77	2,931	77	2,931	77	2,931	--	---	--	---
CAP VEHICLES	--	---	--	---	--	800	--	+800	--	+800
ITEMS LESS THAN $2,000,000	--	16,714	--	16,714	--	16,514	--	-200	--	-200
SPECIAL PURPOSE VEHICLES										
TRUCK, TANK, 1200 GAL	48	1,768	48	1,768	48	1,768	--	---	--	---
TRUCK TANK FUEL R-11(R-9)	350	33,630	350	33,630	350	33,630	--	---	--	---
TRUCK, TANK, FUEL, M-49	68	4,872	68	4,872	68	4,872	--	---	--	---
TRACTOR, A/C TOW, MB-4	3	151	3	151	3	151	--	---	--	---
TRACTOR, TOW, FLIGHTLINE	3	65	3	65	3	65	--	---	--	---
MOBILE MAINT UNIT	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MOS MARKING VEHICLE....................................	--	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2,000,000...........................	--	15,477	--	15,477	--	15,277	--	-200	--	-200
FIRE FIGHTING EQUIPMENT										
TRUCK CRASH P-19.....................................	2	379	2	379	2	379	--	---	--	---
TRUCK CRASH P-23(P-2)................................	42	19,177	42	19,177	42	19,177	--	---	--	---
TRUCK WATER P-18.....................................	9	1,074	9	1,074	9	1,074	--	---	--	---
TRUCK PUMPER P-24(P-8)...............................	36	4,696	36	4,696	36	4,696	--	---	--	---
TRUCK PUMPER P-22(P-12)..............................	36	4,084	36	4,084	36	4,084	--	---	--	---
ITEMS LESS THAN $2,000,000...........................	--	2,706	--	2,706	--	2,706	--	---	--	---
MATERIALS HANDLING EQUIPMENT										
TRUCK F/L 4000 LB GED/DED 144 INCH....................	220	6,283	220	6,283	220	6,283	--	---	--	---
TRUCK, F/L 6000 LB...................................	80	1,874	80	1,874	80	1,874	--	---	--	---
TRUCK, F/L 10,000 LB.................................	163	6,906	163	6,906	163	6,906	--	---	--	---
UNDISTRIBUTED REDUCTION - TACTICAL VEHICLE............	--	---	--	---	--	---	--	---	--	---
25K A/C LOADER.......................................	11	1,535	11	1,535	11	1,535	--	---	--	---
ITEMS LESS THAN $2,000,000...........................	--	9,879	--	9,879	--	9,679	--	-200	--	-200
BASE MAINTENANCE SUPPORT										
LOADER, SCOOP..	116	7,218	116	7,218	116	7,218	--	---	--	---
CLEANER, RUNWAY/STREET................................	86	5,236	86	5,236	86	5,236	--	---	--	---
CRANE, 7-50 TON......................................	10	1,614	10	1,614	10	1,614	--	---	--	---
EXCAVATOR, DED, PT...................................	40	5,560	40	5,560	40	5,560	--	---	--	---
SPARES AND REPAIR PARTS..............................	--	3,011	--	3,011	--	3,011	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MODIFICATIONS	--	1,208	--	1,208	--	1,208	--	---	--	---
ITEMS LESS THAN $2,000,000	--	11,223	--	11,223	--	11,023	--	-200	--	-200
TOTAL, VEHICULAR EQUIPMENT		223,468		223,468		223,468		---		---
ELECTRONICS AND TELECOMMUNICATIONS EQUIP										
COMM SECURITY EQUIPMENT(COMSEC)										
SPACE SYSTEMS (COMSEC)	--	82,857	--	82,857	--	82,857	--	---	--	---
TEMPEST EQUIPMENT	--	---	--	---	--	---	--	---	--	---
TAC SECURE VOICE	--	---	--	---	--	---	--	---	--	---
DCS SECURE VOICE (COMSEC)	--	---	--	---	--	---	--	---	--	---
SECURE DATA	--	---	--	---	--	---	--	---	--	---
TRI-TAC (COMSEC)	--	---	--	---	--	---	--	---	--	---
SPARES AND REPAIR PARTS	--	7,433	--	7,433	--	7,433	--	---	--	---
MODIFICATIONS (COMSEC)	--	1,769	--	1,769	--	1,769	--	---	--	---
INTELLIGENCE PROGRAMS										
INTELLIGENCE DATA HANDLING SYS	--	2,594	--	2,594	--	2,594	--	---	--	---
INTELLIGENCE TRAINING EQUIPMENT	--	12,181	--	12,181	--	9,181	--	-3,000	--	-3,000
INTELLIGENCE COMM EQUIP	--	2,359	--	2,359	--	2,359	--	---	--	---
ITEMS LESS THAN $2,000,000	--	8,076	--	8,076	--	8,076	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
ELECTRONICS PROGRAMS										
TRAFFIC CONTROL/LANDING	--	4,510	--	4,510	--	4,510	--	---	--	---
TACTICAL AIR CONTROL SYS IMPROVE	--	233,078	--	227,138	--	233,078	--	---	--	+5,940
WEATHER OBSERV/FORCAST	--	55,440	--	55,440	--	55,440	--	---	--	---
DEFENSE SUPPORT PROGRAM	--	89,014	--	89,014	--	52,414	--	-36,600	--	-36,600
OTH-B RADAR	--	209,478	--	199,478	--	87,000	--	-122,478	--	-112,478
SAC COMMAND AND CONTROL	--	47,300	--	47,300	--	27,795	--	-19,505	--	-19,505
CHEYENNE MOUNTAIN COMPLEX	--	37,126	--	27,126	--	37,126	--	---	--	+10,000
BMEWS MODERNIZATION	--	6,256	--	6,256	--	6,256	--	---	--	---
SPACETRACK	--	5,392	--	5,392	--	5,392	--	---	--	---
NAVSTAR GPS	--	11,476	--	11,476	--	7,476	--	-4,000	--	-4,000
USAFE COMMAND/CONTROL SYSTEM	--	2,539	--	2,539	--	2,539	--	---	--	---
PACAF COMMAND/CONTROL	--	10,902	--	10,902	--	10,902	--	---	--	---
DEFENSE METEOROLOGICAL SAT PROG	--	822	--	822	--	822	--	---	--	---
CARIBBEAN BASIN RADAR NETWORK	--	39,951	--	39,951	--	---	--	-39,951	--	-39,951
MARS/USAF-FAA RADAR UPGRADE	--	67,345	--	67,345	--	67,345	--	---	--	---
TAC SIGINT SUPPORT	--	17,977	--	17,977	--	17,977	--	---	--	---
DIST ERLY WARNING RDR/NORTH WARNING	--	195,415	--	---	--	195,415	--	---	--	+195,415
TACTICAL GROUND INTERCEPT FACILITY	--	6,202	--	6,202	--	6,202	--	---	--	---
TR-1 GROUND STATIONS	--	5,452	--	5,452	--	5,452	--	---	--	---
AIR BASE OPERABILITY	--	3,252	--	3,252	--	3,252	--	---	--	---
IMAGERY TRANS	--	---	--	---	--	---	--	---	--	---
TACTICAL WARNING SYSTEMS SUPPORT	--	1,124	--	1,124	--	1,124	--	---	--	---

COMMITTEE RECOMMENDED ADJUSTMENTS

30 mm GAU-8 ammunition.—The Committee understands that the Army, as the single manager for conventional munitions, made a determination to award the fiscal year 1989 30 mm ammunition contract to one producer, with options for 2 additional years. The Committee believes that substantial benefits have been realized over the years through competition in this program, and is concerned about meeting future requirements beyond the conclusion of the current contract. If the Air Force "Five Year Defense Plan," to be submitted with the fiscal year 1991 budget request, identifies a requirement for 30 mm ammunition beyond the scope of the existing contractual arrangement, the Committee expects the Air Force to resume, in fiscal year 1990, a full and open competition for the 30 mm round, in order to sustain the largest possible munitions mobilization base, and ensure the Air Force is not later placed in a disadvantageous position to meet planned future requirements.

CBU-87 combined effects munitions [CEM].—The Air Force budgeted $136,630,000 in procurement and $20,000,000 in advance procurement to begin a multiyear procurement (fiscal year 1990–93) of the CBU-87 combined effects munitions [CEM].

The CEM is a 950-pound free fall cluster bomb designed to give tactical air forces a single weapon with multiple target attack capabilities. Each CEM system consists of a tactical munitions dispenser containing 202 bomblets.

The system is procured for the Air Force by the Army's Armament Command, the Department of Defense's single manager of conventional ammunition. The Air Force plans to compete a 4-year multiyear contract for approximately 41,000 systems between the two current producers.

The Committee directed the General Accounting Office [GAO] to review the Air Force's CEM multiyear request to determine if the proposal achieves the congressionally mandated objective of 10-percent savings. The GAO reported to the Committee on September 5, 1989, that they did not find adequate support for DOD's assumptions of 10 to 12 percent multiyear savings estimates on the CEM multiyear. Army officials told the GAO that they felt that a 12-percent savings assumption was unrealistic and that even 10 percent was optimistic. The GAO also noted that the current two source competitive strategy had already provided about a 74-percent reduction in the price of the system over the life of the program.

The Committee, therefore, denies the multiyear authority requested for CEM by the Air Force and denies the $20,000,000 advance procurement request associated with the multiyear procurement. The Committee also recommends an addition of $70,000,000 to the CEM procurement line in order to provide sufficient funding for a realistic competitive acquisition strategy in fiscal year 1990 between the two currently facilitized producers.

ELECTRONICS AND TELECOMMUNICATIONS EQUIPMENT

Defense support program.—The General Accounting Office has identified $36,600,000 in prior year contract savings. These funds may be applied to reduce current requirements. The Committee recommends the appropriation of $52,414,000.

Over the horizon—backscatter radar.—Funds for the first of two sectors to be installed in Alaska were approved last year, but contracting has been delayed, and will now occur in fiscal year 1990. Normally, a 1 year slip in the first installation would create a year slip in the need for funds for the second installation; however, as site preparation in Alaska is considerably more complicated than it was for the installation of the east and west coast systems, the Committee recommends that $87,000,000 be appropriated for fiscal year 1990. When combined with the currently available prior year funds, these funds are adequate for the installation of the first sector and the initiation of the second sector. The Committee recommendation should not be read as a slackening of support for the Alaska radar system, but rather as a recognition of the longer construction time that will be required.

Strategic Air Command, command and control.—Funds were requested to upgrade computers used for strategic mission planning, including $19,505,000 to develop a software system to perform strategic and conventional mission planning for the B–1B and strategic mission planning for the B–2. The conventional role of the B–1B is not fully defined, and no mission planning is required. The B–2 deployment schedule does not require mission planning funds in fiscal year 1990. In addition, the requirement for an upgraded and extended mission planning system for the B1–B, beyond the one currently operational, has not been sufficiently justified. These funds are deleted. Therefore, the Committee recommends the appropriation of $27,795,000.

Caribbean Basin radar network.—The Committee believes that this program is integral to successful drug interdiction. Funding for this program is discussed in the drug interdiction section of this report.

Worldwide military command and control system improvements.—The Department of Defense has recently redirected this program, transferring lead office responsibilities from the Air Force to the Defense Communications Agency. It is the Committee's understanding that the new lead office intends to review user requirements and may dramatically change the program. All funds requested for fiscal year 1990 procurement have been deferred without prejudice. When the Defense Communications Agency has formalized its plans, the Committee would consider a reprogramming request. Any plans must, of course, define the requirements for all Department of Defense users.

Range improvement equipment.—In several instances, funds were requested for contracts not planned to be awarded until subsequent fiscal years. The Committee recognizes that difficulties encountered during execution may delay the award of contracts beyond the fiscal year originally planned, but sees no rationale for requesting funds for contract awards that are scheduled for subsequent fiscal years and documented as such in budget backup material. The Committee recommends the specific deletion of $7,701,000 requested for the EF–111 threat emitter analyzer. The Committee recommends the appropriation of $108,116,000 for these improvements.

SAMTO test ranges.—Funds are deleted for the launch facilities communications and security contract now planned for award in fiscal year 1991 ($3,000,000). In addition, the budget requested

$28,500,000 for special projects, which represents 700 percent growth over the funding in fiscal year 1989. The Committee recommendation reduces funding for this activity to $18,500,000, which still represents more than 400 percent growth over fiscal year 1989 levels. The Committee encourages the Air Force to list future requirements in greater detail in the budget backup material rather than aggregating requirements into special projects categories. For fiscal year 1990, the Committee recommends the appropriation of $56,721,000.

Telephone exchanges.—Funds requested for upgrading the telephone switching system at Kadena Air Force Base are deleted. The Committee recommends the appropriation of $69,334,000 for upgrade and replacement of other Air Force telephone exchanges.

Joint tactical communications program.—This program includes $81,800,000 requested for procurement of the AN/TRC-170 troposcatter radio. Information provided by the Air Force states that award of prior year funds has been delayed to September 1989. The first deliveries of radios funded with requested fiscal year 1990 funds is projected for September 1992, 35 months after contract award, even though the Air Force has stated that it only takes 27 months to begin deliveries after contract award. Thus, a contract awarded in October 1991 would first deliver in December 1992. Management actions to reduce the fluctuation in monthly quantities would easily bridge the period between September and December. The Committee has therefore deleted funding requested in fiscal year 1990, better aligning funds with the proposed delivery schedule.

In 1986, funding was appropriated to qualify a second production source, with a contract with three follow-on production options awarded to each source in 1987. The Air Force intends to hold a winner take all competition in 1991. Material provided by the Air Force shows that currently planned production will be at or below minimum sustaining rate for both producers, with the exception of approximately 6 months, from September 1989 until deliveries begin from the single source contract. It does not appear that the program has truly been structured to use the production capacity the Air Force has purchased. The Committee is extremely sensitive to the problems created by increasing production capacity which then is allowed to wither away.

The Committee recommendation for appropriation for the remainder of the request for joint tactical communications is $40,560,000.

Antijam voice.—Funds requested for procurement of SINCGARS radios are deleted. At the current production rate, no production need be awarded until fiscal year 1991. This program is discussed at greater length in the "Other procurement, Army" appropriation section of this report. The Committee recommends the appropriation of $8,817,000 for other antijam voice communications systems.

OTHER BASE MAINTENANCE AND SUPPORT EQUIPMENT

Chemical and biological defense program.—The Committee feels strongly that the military Departments' nuclear, chemical, and biological defensive systems are woefully inadequate. The Committee

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
SPECIAL COMM-ELECTRONICS PROJECTS										
AUTOMATIC DATA PROCESSING EQUIP	--	74,385	--	56,185	--	74,385	--	---	--	+18,200
WWMCCS/WIS ADPE	--	15,591	--	15,591	--	---	--	-15,591	--	-15,591
MAC COMMAND AND CONTROL SUPPORT	--	26,083	--	22,283	--	16,070	--	-10,013	--	-6,213
MAC COMMAND AND CONTROL-SOF	--	---	--	---	--	---	--	---	--	---
AIR FORCE PHYSICAL SECURITY SYSTEM	--	21,817	--	21,817	--	21,817	--	---	--	---
WEAPONS STORAGE/SECURITY	--	36,200	--	36,200	--	36,200	--	---	--	---
RANGE IMPROVEMENTS	--	115,817	--	115,817	--	108,116	--	-7,701	--	-7,701
C3 COUNTERMEASURES	--	7,046	--	7,046	--	7,046	--	---	--	---
JOINT SURVEILLANCE SYSTEM	--	5,896	--	5,896	--	5,896	--	---	--	---
BASE LEVEL DATA AUTO PROGRAM	--	27,604	--	27,604	--	27,604	--	---	--	---
SATELLITE CONTROL FACILITY	--	68,335	--	68,335	--	68,335	--	---	--	---
CONSTANT WATCH	--	7,324	--	7,324	--	7,324	--	---	--	---
CONSOLIDATED SPACE OPS CENTER	--	1,011	--	1,011	--	1,011	--	---	--	---
CMD CENTER PROCESSING/DISPLAY SYS	--	---	--	---	--	---	--	---	--	---
HAMMER ACE	--	---	--	---	--	---	--	---	--	---
SANTO TEST RANGES I&M	--	69,721	--	69,721	--	56,721	--	-13,000	--	-13,000
AIR FORCE COMMUNICATIONS										
PROGRAM 698AJ	--	1,368	--	1,368	--	1,368	--	---	--	---
INFORMATION TRANSMISSION SYSTEMS	--	303	--	303	--	303	--	---	--	---
TELEPHONE EXCHANGE	--	80,501	--	74,699	--	69,334	--	-11,167	--	-5,365
JOINT TACTICAL COMM PROGRAM (MYP)	--	122,360	--	122,360	--	40,560	--	-81,800	--	-81,800
USSOCCOM	--	7,405	--	7,405	--	7,405	--	---	--	---
USCENTCOM	--	8,974	--	8,974	--	8,974	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AUTOMATED TELECOMMUNICATIONS PRG........................	--	3,945	--	3,945	--	3,945	--	---	--	---
MILSTAR..	--	103,386	--	4,000	--	103,386	--	---	--	+99,386
SATELLITE TERMINALS....................................	--	21,248	--	21,248	--	21,248	--	---	--	---
DCA PROGRAMS										
WIDEBAND SYSTEMS UPGRADE..............................	--	55,631	--	55,631	--	55,631	--	---	--	---
MINIMUM ESSENTIAL EMER COMM NET.......................	--	3,329	--	3,329	--	3,329	--	---	--	---
DCS SECURE VOICE EQUIPMENT............................	--	---	--	---	--	---	--	---	--	---
ORGANIZATION AND BASE										
TACTICAL C-E EQUIPMENT.................................	--	32,235	--	32,235	--	32,235	--	---	--	---
RADIO EQUIPMENT...	--	6,753	--	6,753	--	6,753	--	---	--	---
RADIO EQUIPMENT-SOF....................................	--	---	--	---	--	---	--	---	--	---
FIBER OPTICS..	--	---	--	---	--	---	--	---	--	---
TV EQUIPMENT (AFRTV)....................................	--	4,678	--	4,678	--	4,678	--	---	--	---
CCTV/AUDIOVISUAL EQUIPMENT.............................	--	3,966	--	3,966	--	3,966	--	---	--	---
E + I REQUIREMENTS......................................	--	1,758	--	1,758	--	1,758	--	---	--	---
SPARES AND REPAIR PARTS................................	--	253,749	--	236,655	--	218,556	--	-35,193	--	-18,099
CAP COM & ELECT...	--	---	--	---	--	500	--	+500	--	+500
ITEMS LESS THAN $2,000,000.............................	--	11,873	--	11,873	--	11,873	--	---	--	---
MODIFICATIONS										
COMM-ELECTRONICS CLASS IV.............................	--	19,892	--	19,892	--	19,892	--	---	--	---
TACTICAL EQUIPMENT.....................................	--	---	--	---	--	---	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
ANTIJAM VOICE......................................	--	13,419	--	13,419	--	8,817	--	-4,602	--	-4,602
TOTAL, ELECTRONICS AND TELECOMMUNICATIONS EQUIP.....		2,401,723		2,035,286		1,996,822		-404,901		-38,464
OTHER BASE MAINTENANCE AND SUPPORT EQUIP										
TEST EQUIPMENT										
BASE/ALC CALIBRATION PACKAGE.........................	--	29,927	--	29,927	--	29,927	--	---	--	---
NEWARK AFS CALIBRATION PACKAGE.......................	--	2,989	--	2,989	--	2,989	--	---	--	---
TEST EQUIPMENT-GEN PURP..............................	--	---	--	---	--	---	--	---	--	---
ITEMS LESS THAN $2,000,000...........................	--	31,956	--	31,956	--	31,956	--	---	--	---
PERSONAL SAFETY AND RESCUE EQUIP										
AUTOMATIC LIFE PRESERVER.............................	--	---	--	---	--	---	--	---	--	---
NIGHT VISION GOGGLES.................................	--	4,452	--	4,452	--	4,452	--	---	--	---
NIGHT VISION GOGGLES-SOF.............................	--	1,361	--	1,361	--	1,361	--	---	--	---
CHEMICAL/BIOLOGICAL DEF PROG.........................	--	56,544	--	70,544	--	70,544	--	+14,000	--	---
ITEMS LESS THAN $2,000,000...........................	--	3,663	--	3,663	--	3,663	--	---	--	---
DEPOT PLANT + MATERIALS HANDLING EQ										
BASE MECHANIZATION EQUIPMENT.........................	--	28,437	--	28,437	--	28,437	--	---	--	---
AIR TERMINAL MECHANIZATION EQUIP.....................	--	8,614	--	8,614	--	8,614	--	---	--	---
ITEMS LESS THAN $2,000,000...........................	--	12,019	--	12,019	--	12,019	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
ELECTRICAL EQUIPMENT										
GENERATORS-MOBILE ELECTRIC	--	25,859	--	25,859	--	25,859	--	---	--	---
ITEMS LESS THAN $2,000,000	--	4,423	--	4,423	--	4,423	--	---	--	---
BASE SUPPORT EQUIPMENT										
BASE PROCURED EQUIPMENT	--	34,668	--	34,668	--	34,668	--	---	--	---
MEDICAL/DENTAL EQUIPMENT	--	109,022	--	109,022	--	109,022	--	---	--	---
AIR BASE OPERABILITY	--	28,942	--	25,942	--	28,942	--	---	--	+3,000
PALLET, AIR CARGO, 108"X88"	4,132	3,721	4,132	3,721	4,132	3,721	--	---	--	---
PHOTOGRAPHIC EQUIPMENT	--	8,289	--	8,289	--	8,289	--	---	--	---
TACTICAL SHELTER - SOF	--	3,582	--	3,582	--	3,582	--	---	--	---
PRODUCTIVITY ENHANCEMENT	--	10,087	--	10,087	--	10,087	--	---	--	---
PRODUCTIVITY INVESTMENTS	--	5,078	--	5,078	--	5,078	--	---	--	---
MOBILITY EQUIPMENT	--	11,697	--	11,697	--	11,697	--	---	--	---
WARTIME HOST NATION SUPPORT	--	4,726	--	4,726	--	4,726	--	---	--	---
SPARES AND REPAIR PARTS	--	7,099	--	7,099	--	7,099	--	---	--	---
ITEMS LESS THAN $2,000,000	--	18,542	--	18,542	--	18,542	--	---	--	---
SPECIAL SUPPORT PROJECTS										
INTELLIGENCE PRODUCTION ACTIVITY	--	82,485	--	82,485	--	80,785	--	-1,700	--	-1,700
TECH SURV COUNTERMEASURES EQ	--	991	--	991	--	991	--	---	--	---
PHOTO PROC/INTERPRET SYS	--	---	--	---	--	---	--	---	--	---
SELECTED ACTIVITIES	--	4,732,801	--	4,717,473	--	4,712,401	--	-20,400	--	-5,072
SPECIAL UPDATE PROGRAM	--	214,909	--	147,209	--	214,909	--	---	--	+67,700
SPECIAL APPLICATION PROGRAM	--	---	--	---	--	---	--	---	--	---
INDUSTRIAL PREPAREDNESS	--	4,513	--	4,513	--	4,513	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
MISC EQUIPMENT	--	---	--	---	--	---	--	---	--	---
MISC EQUIPMENT-SOF	--	1,842	--	1,842	--	1,842	--	---	--	---
MODIFICATIONS	--	---	--	---	--	---	--	---	--	---
MODERNIZATION OF EQUIPMENT - O & M TRANSFER	--	---	--	---	--	---	--	---	--	---
INDUSTRIAL/DEPOT MAINTENANCE EQUIPMENT	--	---	--	---	--	75,000	--	+75,000	--	+75,000
TOTAL, OTHER BASE MAINTENANCE AND SUPPORT EQUIP		5,493,238		5,421,210		5,560,138		+66,900		+138,928
TOTAL, OTHER PROCUREMENT, AIR FORCE		8,561,800		8,087,219		8,273,799		-288,001		+186,580

therefore supports the House recommendation to restore to the level of the original budget request the funding for the survivable collective protection system. The Committee's recommendation for the program is to increase funding by $14,000,000 to a level of $70,544,000.

OTHER ADJUSTMENTS

Contract delays.—Several programs suffered contract delays serious enough that the funds provided in prior years would continue production through fiscal year 1990, reducing or eliminating the requirement for fiscal year 1990 funding. These programs include:

[In thousands of dollars]

	Budget request	Committee recommendation	Change from budget
NAVSTAR GPS	11,476	7,476	−4,000
MAC command and control support	26,883	16,070	−10,813

Spares and repair parts.—The Air Force request for initial spares has been reduced by $35,193,000 to align funding with Committee adjustments to individual programs.

Other adjustments.—The Committee recommends the following other changes, including those made to programs of higher classification. Classified adjustments are discussed in the classified annex to this report.

[In thousands of dollars]

	Budget request	Committee recommendation	Change from budget
Civil Air Patrol vehicles		800	+800
Cargo vehicles less than $2,000,000	16,714	16,514	−200
Special purpose vehicles less than $2,000,000	15,477	15,277	−200
Material handling vehicles less than $2,000,000	9,879	9,679	−200
Base maintenance vehicles less than $2,000,000	11,223	11,023	−200
CAP comm and elect		500	+500
Intel training equipment	12,181	9,181	−3,000
Intel prod activity	82,485	80,785	−1,700
Selected activities	4,732,801	4,712,401	−20,400

RESTORED HOUSE ADJUSTMENTS

The Committee does not recommend accepting the following House adjustments:

[In thousands of dollars]

	Budget request	House recommendation	Committee recommendation
5.56 mm cartridges	5,370	3,270	5,370
20 mm training rounds	26,996	23,402	26,996
30 mm training rounds	58,744	55,150	58,744
Ammunition less than $2,000,000	11,287	9,397	11,287

[In thousands of dollars]

	Budget request	House recommendation	Committee recommendation
MK-82 BDU-50		8,462	
GBU-15	13,800	400	13,800
Tactical air control system improvements	233,078	227,138	233,078
Cheyenne Mountain complex	37,126	27,126	37,126
North warning system	195,415		195,415
Automatic data processing equipment	74,385	56,185	74,385
MILSTAR	103,386	4,000	103,386
Air base operability	28,942	25,942	28,942
Special update program	214,909	147,209	214,909

Procurement, Defense Agencies

Appropriations, 1989	$1,185,142,000
Budget estimate, 1990	1,321,800,000
House allowance	1,318,173,000
Committee recommendation	1,272,700,000

The Committee recommends an appropriation of $1,272,700,000, a reduction of $49,100,000 to the amended budget estimate and $45,473,000 less than the House allowance.

This appropriation provides for procurement of capital equipment for the Defense Communications Agency, the Defense Investigative Service, the Defense Mapping Agency, the Defense Logistics Agency, and other Agencies of the Department of Defense. The 1990 program includes procurement of automatic data processing equipment, mechanized material handling systems, general and special purpose vehicular equipment, communications equipments, and other items.

COMMITTEE RECOMMENDED PROGRAM

The following table details the Committee recomendations in comparison to the amended budget request and the House allowance:

COMMITTEE RECOMMENDATIONS

Items less than $2,000,000, DSPO.—The justification for this reduction can be found in the classified annex of this report.

HOUSE ADJUSTMENTS

The Committee does not recommend accepting the following House adjustments:

[In thousands of dollars]

	Budget request	House allowance	Committee recommendations
Major equipment, OSD/WHS	69,312	74,312	69,312
ADP equipment	40,500	20,500	40,500
General reduction vehicles		−3,000	
Classified programs	548,614	562,987	548,614

NATIONAL GUARD AND RESERVE EQUIPMENT

Appropriations, 1989	$1,138,900,000
Budget estimate, 1990	
House allowance	1,481,400,000
Committee recommendation	1,304,961,000

The Committee recommends a funding level of $1,304,961,000 for National Guard and Reserve dedicated equipment. This recommendation is $176,439,000 below the allowance provided by the House.

Of the total amount provided, the Committee recommends $177,661,000 for the procurement of unspecified everyday unit equipment for Guard and Reserve units. This is $89,139,000 below than the House allowance for this miscellaneous equipment category.

The Committee directs that the Chief of each National Guard and Reserve component receiving such funds for miscellaneous equipment shall allocate funds in such a manner as to provide units with the most military capability for the money, based upon the readiness requirements of their respective units. The Committee does not intend these funds to be used for major equipment items, such as aircraft, service craft, tugboats, et cetera, which would normally be specifically identified. In addition, a report is to be provided to the Senate and House Committees on Appropriations and Armed Services on the items of equipment to be procured with such funds within 120 days after the date of enactment of this act.

The Committee has also provided $1,127,300,000 of specified unit equipment, $87,300,000 less than the total House allowance for designated equipment purchases.

COMMITTEE RECOMMENDED PROGRAM

The following tables detail the Committee recommendations in comparison to the amended budget request and the House allowance:

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
PROCUREMENT, DEFENSE AGENCIES										
MAJOR EQUIPMENT										
MAJOR EQUIPMENT, OSD/WHS..............................	--	69,312	--	74,312	--	69,312	--	---	--	-5,000
REMOTELY PILOTED VEHICLES............................	--	29,304	--	29,304	--	29,304	--	---	--	---
MAJOR EQUIPMENT, DNA										
VEHICLES...	20	413	20	413	20	413	--	---	--	--
OTHER CAPITAL EQUIPMENT..............................	7	2,228	7	2,228	7	2,228	--	---	--	---
MAJOR EQUIPMENT, DCA										
WWMCCS ADP SYSTEMS...................................	--	7,632	--	7,632	--	7,632	--	---	--	---
ITEMS LESS THAN $2 MILLION...........................	--	22,322	--	22,322	--	22,322	--	---	--	---
MAJOR EQUIPMENT, DLA										
MATERIALS HANDLING EQUIPMENT.........................	--	9,602	--	9,602	--	9,602	--	---	--	---
VEHICLES...	--	2,326	--	2,326	--	2,326	--	---	--	---
MECHANIZED MATERIALS HANDLING SYS....................	--	16,456	--	16,456	--	16,456	--	---	--	---
ADP EQUIPMENT..	--	40,500	--	20,500	--	40,500	--	---	--	+20,000
TELECOMMUNICATIONS EQUIPMENT.........................	--	6,000	--	6,000	--	6,000	--	---	--	---
OTHER MAJOR EQUIPMENT................................	--	9,392	--	9,392	--	9,392	--	---	--	---
ITEMS LESS THAN $2 MILLION...........................	--	2,811	--	2,811	--	2,811	--	---	--	---
MAJOR EQUIPMENT, DMA										
ADP EQUIPMENT..	--	13,658	--	13,658	--	13,658	--	---	--	---

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
VEHICLES..	--	101	--	101	--	101	--	---	--	---
OTHER CAPITAL EQUIPMENT..............................	--	115,688	--	115,688	--	115,688	--	---	--	---
MAJOR EQUIPMENT, DIS										
VEHICLES..	--	2,771	--	2,771	--	2,771	--	---	--	---
OTHER CAPITAL EQUIPMENT..............................	--	422	--	422	--	422	--	---	--	---
MAJOR EQUIPMENT, USUHS										
ITEMS LESS THAN $2 MILLION...........................	--	881	--	881	--	881	--	---	--	---
MAJOR EQUIPMENT, DCAA										
ITEMS LESS THAN $2 MILLION...........................	--	2,988	--	2,988	--	2,988	--	---	--	---
MAJOR EQUIPMENT, DSPO										
ITEMS LESS THAN $2 MILLION, DSPO.....................	--	394,087	--	394,087	--	315,087	--	-79,000	--	-79,000
AIRBORNE RECONNAISSANCE SUPPORT PROGRAM...............	--	---	--	---	--	---	--	---	--	---
MAJOR EQUIPMENT, OJCS										
MAJOR EQUIPMENT, OJCS................................	--	23,340	--	23,340	--	23,340	--	---	--	---
ON-SITE INSPECTION AGENCY										
OTHER CAPITAL EQUIPMENT..............................	1	952	1	952	1	952	--	---	--	---
VEHICLES, GENERAL REDUCTION..........................	--	---	--	-3,000	--	---	--	---	--	+3,000

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
INDUSTRIAL/DEPOT MAINTENANCE EQUIPMENT................	--	---	--	---	--	29,900	--	+29,900	--	+29,900
CLASSIFIED PROGRAMS................................	--	548,614	--	562,987	--	548,614	--	---	--	-14,373
TOTAL, PROCUREMENT, DEFENSE AGENCIES................		1,321,800		1,318,173		1,272,700		-49,100		-45,473

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
NATIONAL GUARD AND RESERVE EQUIPMENT, DEFENSE										
RESERVE EQUIPMENT										
ARMY RESERVE										
MISCELLANEOUS EQUIPMENT..............................	--	---	--	116,800	--	92,661	--	+92,661	--	-24,139
5-TON TRUCK..	--	---	--	100,000	--	---	--	---	--	-100,000
P-1R ITEMS...	--	---	--	---	--	---	--	---	--	---
FAMILY OF HEAVY TACTICAL VEHICLES....................	--	---	--	---	10	3,900	+10	+3,900	+10	+3,900
TOTAL..		---		216,800		96,561		+96,561		-120,239
NAVY RESERVE										
MISCELLANEOUS EQUIPMENT..............................	--	---	--	---	--	---	--	---	--	---
C-130H AIRCRAFT......................................	--	---	2	48,000	2	48,000	+2	+48,000	--	---
SEABEE EQUIPMENT.....................................	--	---	--	---	--	---	--	---	--	---
LAMPS MK-1 ASW UPGRADE...............................	--	---	6	45,000	6	45,000	+6	+45,000	--	---
SH-2 BLOCK UPGRADE...................................	--	---	--	---	--	---	--	---	--	---
HH-60 HELICOPTER UPGRADE.............................	--	---	--	8,400	--	---	--	---	--	-8,400
P-3 MODIFICATIONS....................................	--	---	--	---	--	---	--	---	--	---
EA-6B AIRCRAFT.......................................	--	---	--	---	--	---	--	---	--	---
SH-3H MODIFICATIONS..................................	--	---	--	---	--	---	--	---	--	---
C-20 AIRCRAFT..	--	---	1	24,800	--	---	--	- -	-1	-24,800
SH-3H/SH-2G ASW MISSION DATA RECORDERS...............	--	---	--	4,500	--	---	--	---	--	-4,500

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AN-SQQ-T1 ASW ON-BOARD TRAINER	--	---	--	4,500	--	4,500	--	+4,500	--	---
AN/SQQ - 58 SONOBUOYS	--	---	--	---	--	1,000	--	+1,000	--	+1,000
UNDISTRIBUTED REDUCTION	--	---	--	---	--	---	--	---	--	---
INSTALLATION OF MODIFICATIONS	--	---	--	---	--	---	--	---	--	---
P-1R ITEMS	--	---	--	---	--	---	--	---	--	---
TOTAL		---		135,200		98,500		+98,500		-36,700
MARINE CORPS RESERVE										
MISCELLANEOUS EQUIPMENT	--	---	--	10,000	--	10,000	--	+10,000	--	---
KC-130T AIRCRAFT	--	---	2	50,000	2	50,000	+2	+50,000	--	---
TACTICAL AIR OPERATIONS MODULE (TAOM)	--	---	--	---	--	---	--	---	--	---
AH-1W COBRA AIRCRAFT	--	---	6	58,600	--	---	--	---	-6	-58,600
INSTALLATION OF MODIFICATIONS	--	---	--	---	--	---	--	---	--	---
P-1R ITEMS	--	---	--	---	--	---	--	---	--	---
TOTAL		---		118,600		60,000		+60,000		-58,600
AIR FORCE RESERVE										
MISCELLANEOUS EQUIPMENT	--	---	--	35,000	--	---	--	---	--	-35,000
C-130 AIRCRAFT	--	---	2	44,500	2	44,500	+2	+44,500	--	---
MH-60G HELO	--	---	--	151,000	--	151,000	--	+151,000	--	---
F-16 IMPROVEMENT PACKAGE	--	---	--	55,000	--	55,000	--	+55,000	--	---

COMMITTEE RECOMMENDED ADJUSTMENTS

NAVY RESERVE

C-130H aircraft.—The Committee recommends $48,000,000 to purchase two C-130H aircraft for the Navy Reserve. This amount is the same as recommended by the House.

SH-2F Lamps Mark-1 upgrade.—The House provides $45,000,000 for the block upgrade on the SH-2G program. The Committee concurs in the House recommendation, however, does not agree with the specific requirement to include ASW mission data recorders. The Committee believes the specific equipment to be included in the upgrade should be determined by the Navy Reserve.

Onboard trainers.—The Committee recommends $4,500,000 for purchase of onboard trainers for Navy Reserve FF-1052 frigates.

MARINE CORPS RESERVE

KC-130T aircraft.—The Committee recommends $50,000,000 to purchase 2 KC-130T tanker aircraft for the Marine Corps Reserve, as recommended by the House.

AH-1W Cobra helicopters.—The House added $58,600,000 to purchase 6 AH-1W Cobra helicopters for the Marine Corps Reserve. The Committee opposes the purchase of additional AH-1W helicopters. The Committee notes that the House initiated a buy-out of the AH-1W helicopter program in fiscal year 1988. That recommendation was eventually supported by the Congress, as a way to limit the number of ongoing aircraft production lines. The Committee believes it is inconsistent and self-defeating to buy-out a program and then recommend additional funding to restart the program in future appropriations actions.

AIR FORCE RESERVE

C-130 aircraft.—The Committee recommends $44,500,000 for the purcahse of two C-130 aircraft for the Air Force Reserve. This is the same as recommended by the House.

MH-60G helicopters.—The House included $151,000,000 for purchase of MH-60G helicopters for the Air Force Reserve. The Committee concurs in this recommendation.

F-16 improvement package.—The Committee recommends $55,000,000 to begin a program to upgrade F-16 engines for the Air Force Reserve. This new program will increase the performance and reliability of the older F-16 aircraft operated by the Air Force Reserve. The House also recommended $55,000,000 for this effort.

Army National Guard armor program.—The Committee strongly believes that the Army National Guard should be equipped and trained on the Army's front line tank, the M-1 Abrams tank. The Army National Guard is part of the total force concept and these units must receive displaced armor from the Active Force and new production tanks on a high-priority basis.

As the Active Army deploys the most modern M-1A1 tanks to Europe, M-1 tanks are displaced and subsequently redeployed to Active and National Guard units. The Army estimates that of the 318 M-1 tanks displaced in fiscal year 1989, 181 will be delivered to

Guard units, 66 to active component units and 71 to prepositioned war reserves. The Committee feels that tanks presently designated as war reserves would be more efficiently used if they were assigned to Guard units. During a crisis, Guard units could be required to relinquish tanks for needed replenishment of war reserves, but during peacetime, these tanks could be maintained and exercised with substantial benefit to Guard readiness.

Under the current Army plan to modernize Guard armor, many units will not receive M-1 tanks until the end of the century. In order to accelerate M-1 distribution to Guard units the Committee has added an additional $120,000,000 for the procurement of 58 M-1 new production tanks. This is a sufficient number of tanks to field one battalion size Guard tank unit. The Army is directed to inform the Committee no later than April 1, 1990, on how this would alter the current National Guard armor modernization plan. The Army should include a detailed list of where displaced tanks will be assigned over the next 7 fiscal years. The Committee is aware that the most modern new production tanks, with the enhanced armor package, should go to our forward deployed units in Europe, and, therefore, does expect that this additional funding will provide new production tanks to the National Guard. The Committee does expect, however, that this additional appropriation will accelerate the modernization of one Guard tank battalion by at least 1 year.

The Committee supports Army efforts to modernize the armor in National Guard units. However, the Army National Guard has frequently transferred displaced M-1 tanks from Europe that fail to meet the TM 10/20 maintenance standard.

Previous shipments of displaced tanks were sent to Anniston Army Depot before delivery to Guard units. This procedure ensured that Guard units received tanks that met the TM 10/20 maintenance standard. Presently, displaced tanks are transferred on a unit-to-unit basis. While the active unit relinquishing the tanks were nominally required to maintain the tanks at TM 10/20 standards, it, nevertheless, frequently happens that Guard units receive equipment which fails to meet these standards. This requires the Army National Guard to expend maintenance hours to achieve a mission capable condition.

The Committee directs the Army to establish guidelines to ensure that displaced M-1 tanks meet the TM 10/20 standards before they are transferred. In October, an Army/ARNG team will travel to Europe to inspect the next shipment of displaced M-1's. The Committee requests that the Secretary of the Army provide a report on the findings of this team and steps that will be taken to improve the overall M-1 transfer process. The report should be submitted to the Committee no later than February 1, 1990.

ARMY NATIONAL GUARD

C-23 aircraft.—The Committee recommends $42,000,000 to purchase 6 C-23 aircraft for National Guard aviation classification repair activity depot system and theater defense force airlift requirements.

UH-60B helicopters.—The Committee recommends $25,000,000 for the purchase of 4 UH-60B helicopters for the Army National Guard. The House did not address this requirement.

AIR NATIONAL GUARD

C-130 aircraft.—The Committee recommends $218,000,000 for purchase of 10 C-130 aircraft for the Air National Guard. This is an increase of 8 aircraft and $173,500,000 above the House allowance.

F-15/F-16 improvement package.—The Committee recommends $49,000,000 to continue the F-15 multistage improvement program on F-15A aircraft. The House recommended an identical sum for this effort.

KC-135E aircraft.—The Committee recommends $75,000,000 to modify 10 KC-135A aircraft into the KC-135E configuration. The Committee understands that an additional 10 aircraft would increase five Air National Guard squadrons from 8 to 10 aircraft and thereby provide a robust status. Currently most Air National Guard units operate 10 aircraft squadrons, and the Air Force Reserve maintains its KC-135 squadrons at this level. Recognizing the cost savings of operating National Guard squadrons in lieu of active squadrons, the Committee believes it is prudent to allocate additional assets into National Guard forces. Therefore, the Committee directs the Air Force to transfer 10 KC-135A aircraft to the National Guard to be modified into the E configuration and be operated by Guard units.

DEFENSE PRODUCTION ACT PURCHASES

Appropriations, 1989	$33,500,000
Budget estimate, 1990	10,500,000
House allowance	50,000,000
Committee recommendation	10,500,000

The Committee recommends $10,500,000 for the fiscal year 1990 "Defense Production Act Purchases" appropriation. This recommendation is the amount requested in the President's amended budget submission, and is $39,500,000 below the allowance provided by the House.

These funds will provide for the purchase of, or commitments to purchase, critical defense metals, minerals, or other materials with the express purpose of creating a domestic source, or increasing the current U.S. industrial capacity.

The Committee supports the request for the Discontinuous Reinforced Aluminum [DRA] project and expresses special interest in the progress of this program. The DRA program has demonstrated numerous potential uses in critical defense program. The Committee urges the Department of Defense to expeditiously execute the last phase of the DRA program.

TITLE IV

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SUMMARY OF COMMITTEE ACTION

The fiscal year 1990 Department of Defense budget for research, development, test, and evaluation totaled $39,645,300,000. The accompanying Senate bill contains $37,664,528,000, a reduction of $1,980,772,000, or about 5 percent, from the budget estimate. The recommended allowance is $2,114,251,000 above the House allowance, and $661,000 above the fiscal year 1989 appropriation for RDT&E. The following table summarizes the budget estimates and Committee recommendations:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Research, development, test, and evaluation:				
Army	$5,693,500	5,578,700	5,382,737	−310,763
Navy	9,830,300	9,765,454	9,823,627	−6,673
Air Force	14,651,900	12,438,021	13,915,171	−736,729
Defense agencies	8,965,800	7,530,872	8,201,833	−763,967
Director, test and evaluation, Defense	309,300	224,505	222,311	−86,989
Operational test and evaluation	194,500	12,725	118,849	−75,651
Total, RDT&E	39,645,300	35,550,277	37,664,528	−1,980,772

COMMITTEE OVERVIEW

The following considerations are the context for the Committee's review of the fiscal year 1990 budget request for RDT&E:

First, the defense RDT&E accounts benefited greatly from the increased resources devoted to national security between fiscal year 1981 and 1989. Total real growth for RDT&E was 69.1 percent during that period, and the percentage of the defense budget allocated to these accounts increased every year. In fiscal year 1981, RDT&E comprised 9.2 percent of the defense budget. It increased to 12.9 percent by fiscal year 1989. Total real growth in RDT&E for the Defense Agencies and each of the armed services ranged from 22.7 percent for the Army to 381 percent for the Defense Agencies.

Second, the RDT&E request included programs embodying future commitments to spend hundreds of millions, or billions, of dollars, even though some of the efforts yield only marginal military benefits. These programs include the National Aerospace Plane and the M–1A1 tank block II program. In addition, the basic cost-effectiveness and military-effectiveness of other programs is unconfirmed. Included in this category are the space based wide area surveillance program, the several antisatellite programs, and the long-range conventional standoff weapon.

Third, several significant and costly RDT&E programs suffer from continuing, drastic shifts in spending and research priorities. These include the strategic defense initiative, the air defense initiative, the joint remotely piloted vehicles program, and the advanced strategic missiles systems program. Other expensive programs appear duplicative or unfocused, or both, or contain lower priority efforts, or lack firm operational requirements. These include the test instrumentation development program, the operational test and evaluation capability improvement program, and the many disparate defense robotics projects.

The Committee was particularly critical of any program lacking a firm direction, containing duplication or excessive redundancy, or producing insufficient military payoffs. Programs with large future costs which challenge their affordability, or programs proposing to invest prematurely in costly technology development before adequately addressing basic cost-effectiveness and military-effectiveness issues, were viewed similarly. Programs identified as lower priority by the Office of the Secretary of Defense or the armed services in the revised defense budget request, programs lacking adequate, detailed justification, and programs about which the Committee had previously raised still-unanswered questions, were treated skeptically.

MAJOR COMMITTEE RECOMMENDATIONS

Reflecting this approach, the Committee's major recommendations, by Defense Department component, are:

Army.—(1) Providing $238,200,000 for the Army's heavy force modernization [HFM] program; (2) funding significant increases above the budget request to enhance the Army's armor and antiarmor capabilities, including: (a) $20,000,000 to initiate full scale development of the classified Stingray improvement to the Bradley fighting vehicle; (b) $15,000,000 for accelerated development, on a competitive basis, of electromagnetic and electrothermal antiarmor gun technologies; and (c) $30,000,000 for a classified program; (3) denying $63,525,000 for development of the M-1A1 block II tank; (4) adding $18,000,000 to the budget request to allow for increased testing of the air defense/antitank system [ADATS] component of the forward area air defense [FAAD] system; (5) fully funding the $81,500,000 requested for the AH-64 Apache/longbow multistage improvement program [MSIP]; (6) funding $233,728,000 for the light armed scout helicopter [LHX]; (7) approving the following antisatellite [ASAT] funding: (a) $85,572,000 for development of kinetic energy (nonlaser) ASAT weapons; and (b) $44,000,000 for development of directed energy (laser) weapons; (8) $51,600,000 for improvements to existing TOW antitank missiles; (9) funding $32,819,000 for the follow-on LANCE program.

Navy/Marine Corps.—(1) Funding a $70,000,000 increase above the budget request for the Trident II missile development program to address problems manifested in two recent flight test failures; (2) adding $255,000,000 to continue development of the V-22A tiltrotor aircraft, including funds for enhanced engine development efforts; (3) fully funding: (a) the classified budget request for the Navy's advanced tactical aircraft [ATA]; and (b) the $64,735,000 budget request for the Navy advanced tactical fighter [NATF]; (4) denying the $50,644,000 budget request for F/A-18 improvements; (5) adding $15,000,000 for investigating key technologies to enhance fast sealift capabilities; (6) fully funding $522,807,000 requested for the Navy's new attack submarine, the SSN-21, and its combat system; (6) providing the $169,351,000 requested for F-14D fighter aircraft upgrades; (7) deleting $2,001,000 requested for the satellite laser communication [SLC] program and terminating the program.

Air Force.—(1) Fully funding the classified requests for the advanced technology bomber [B-2] and the advanced cruise missile [ACM]; (2) approving $789,010,000 for the Peacekeeper/rail garrison intercontinental ballistic missile system [ICBM] and $100,000,000 for the small ICBM program; (3) funding the $1,111,492,000 requested for the Air Force advanced tactical fighter [ATF]; (4) adding $50,000,000 for cruise missile integration testing for the B-1B bomber; (5) deleting $52,000,000 for electronic warfare development efforts for the B-1B; (6) providing $866,227,000 of the $915,227,000 requested for the C-17 advanced transport aircraft; (7) deleting $115,200,000 for the airborne warning and control system [AWACS] as follows: (a) $67,700,000 for deferring fiscal year 1990 efforts associated with the radar system improvement program [RSIP]; and (b) diverting $47,500,000 in fiscal year 1989 funds appropriated for AWACS RSIP to support other fiscal year 1990 AWACS upgrade efforts; (8) deleting the $100,000,000 requested for the National Aerospace Plane [NASP]; (9) funding $44,036,000 for Air Force ASAT efforts: (a) $38,036,000 for ground based laser technologies; and (b) $6,000,000 to develop a battle management/command-control-communications [BM/C^3] architecture for U.S. ASAT weapons; (10) denying $4,968,000 for technology development efforts associated with space based wide area surveillance [SBWAS]; (11) fully funding $55,402,000 for the short-range attack missile-tactical [SRAM-T]; (12) denying $17,400,000 for F-16 fighter aircraft upgrades; (13) providing $416,048,000 for space boosters; and (14) denying $71,922,000 of $108,494,000 sought for the Aircraft Engine Component Improvement Program.

Defense agencies.—(1) Providing $3,723,342,000, or zero real growth compared to fiscal year 1989, for the strategic defense initiative [SDI]; (2) funding increases totaling $116,875,000 in Defense Advanced Research Projects Agency [DARPA] programs: (a) $30,000,000 for the DARPA initiative in concurrent engineering [DICE] manufacturing technology; (b) $24,000,000 more for the advanced satellite technology program [LIGHTSAT]; (c) $15,000,000 for advanced microelectronics and materials research; (d) $7,000,000 for development of a continuous fiber metal matrix composite model factory; and (e) $40,000,000 for x-ray lithography technology development; (3) funding $296,082,000 for the balanced technology initiative [BTI] to investigate advanced technologies to enhance conventional warfighting capabilities; (4) providing $200,000,000 for the NATO research and development program to share development costs for new weapon systems with our allies; (5) deleting $142,386,000 associated with the air defense initiative [ADI] due to changing priorities, low obligation rates, and uncertain requirements; (6) funding $96,016,000 for the university research initiatives—$50,016,000 in new budget authority and $46,000,000 in additional fiscal year 1989 funds—and consolidating these efforts into one program element; (7) consolidating all funding associated with Defense Department robotics activities and providing $21,805,000; (8) funding $62,669,000 of $117,005,000 requested for the joint remotely piloted vehicles [RPV] program; (9) fully funding $100,000,000 requested for semiconductor manufacturing technology [SEMATECH]; (10) significantly decreasing funds requested for the Director of Test and Evaluation, Defense, [DT&E] by $86,989,000 and for the Director of Operational Test and Evaluation [OT&E] by $75,651,000.

PRINCIPAL COMMITTEE OBSERVATIONS

SPACE-BASED WIDE AREA SURVEILLANCE [SBWAS] PROGRAMS

The Department of Defense intends to use at least $47,424,000 in fiscal year 1990, and $19,500,000 in fiscal year 1989, to assess and develop technologies for systems capable of space-based worldwide surveillance and tracking. Space-based wide area surveillance [SBWAS] programs are considering whether an advanced, spaceborne sensor can provide better tactical and strategic warning and tracking information to the operational commanders.

Significant skepticism exists in Congress as to whether the Defense Department and the military services are pursuing an affordable, nonduplicative program. The Committee denies the funds requested for technology development in the several program elements associated with this overall effort. Such technology development is premature for several reasons.

First, firm operational requirements for both the Air Force and the Navy remain uncertain.

Second, the Air Force and Navy currently favor radically different technical approaches for developing such space-borne, wide area surveillance capabilities. Each approach has major implications for program cost and technical risks.

Third, the Defense Acquisition Board [DAB] will not review a formal cost and operational effectiveness analysis [COEA] of program options until at least December.

Fourth, the SBWAS program is not fully supported within the Defense Department, as evidenced by underfunding of the activity in the current 5 year defense program. The Committee questions whether support for this program will be any more forthcoming in the next 5 year defense program, which is expected to be reduced below the current plan by the Defense Department in its fiscal year 1991 budget submission.

The Committee believes that Congress should examine the COEA and DAB decisions during its review of the fiscal year 1991 budget request before further technology development work by the Navy, Air Force, and defense agencies commits the taxpayers to a program which could cost many billions of dollars.

In addition to the recommended funding reductions, the Committee prohibits the Defense Department and armed services from obligating or expending any funds available in fiscal years 1989 and

1990 for these programs in addition to the $15,000,000 provided for SBWAS activities in fiscal year 1989 in the air defense initiative program.

ANTISATELLITE [ASAT] PROGRAMS

The Department of Defense proposes to spend at least $184,108,000 in fiscal year 1990 on programs to develop kinetic energy (nonlaser) and directed energy (laser) antisatellite [ASAT] weapons and their associated command-control-communications and battle management networks.

Once developed, these capabilities are intended to threaten low-Earth-orbit Soviet satellites—especially those aiding the Soviets to target U.S. forces—and to deter Soviet ASAT threats against U.S. national security-related satellites.

ASAT programs being considered include land-based and sea-based interceptor rockets, ground-based lasers, and strategic and tactical command, control, and communications elements.

The Committee recommendation provides almost all the requested ASAT funds and deletes House-recommended language preventing the testing of the mid-infrared advanced chemical laser against an object in space unless such testing is subsequently authorized and funded. However, the Committee directs the Defense Department not to obligate or expend any more than 33 percent of the funds provided for each ASAT project until certain stringent conditions are satisfied.

In its report on the Fiscal 1989 Supplemental Appropriations Act, the Committee required from the Defense Department detailed information about the cost-effectiveness, military-effectiveness, and arms control implications of various kinetic energy and directed energy ASAT weapons. The Committee clearly indicated this information was needed for its review of the fiscal year 1990 request for ASAT program funds. Despite repeated intercessions, this report has not been forthcoming.

The Committee also understands that the Defense Acquisition Board [DAB] plans a review this December of the kinetic energy ASAT program and of the program's formal cost and operational effectiveness analysis [COEA] of various weapons, basing, and operational concepts. Such information could be of great assistance to the Congress in evaluating the proposed ASAT programs.

Accordingly, the Committee directs that the obligation and expenditure of the remaining 67 percent of funding for each ASAT project may not occur until the Committee receives both the report required by its action on the Fiscal 1989 Supplemental Appropriations Act and a detailed report on the DAB's assessment and decisions regarding the kinetic energy ASAT program. The required report should include a copy of the program's formal COEA.

The Committee recommendation permits enough ASAT project funds to be used to finance fully the program through January 1990. This funding profile allows sufficient time for the Department to conduct its DAB review and to report its findings to Congress.

DEVELOPMENTAL TEST INSTRUMENTATION PROGRAM

OPERATIONAL TEST AND EVALUATION CAPABILITIES IMPROVEMENTS

The fiscal year 1990 budget request contains substantial increases in two programs designed to improve the developmental and operational test and evaluation of the weapons systems acquired by the Department of Defense.

The Director of Test and Evaluation [DT&E], Defense, requested $166,357,000 for the test instrumentation development program to improve developmental testing capabilities, especially test range equipment and evaluation facilities. This request represents 435 percent real growth in this program compared with its fiscal year 1989 appropriation.

The Director of Operational Test and Evaluation [DOT&E] requested $124,360,000 for the OT&E capability improvement program [CIP], which also concentrates on procurement of test range equipment. This request represents 104 percent real growth.

The Committee has serious concerns whether, as currently configured, either of these programs is affordable in the future. It also is questionable whether the sponsoring organizations, DT&E and DOT&E, are fulfilling adequately their intended missions in the administration of these two investment programs.

The basic funding profiles for both programs were drafted under now-outdated fiscal assumptions. It is unlikely that the necessary resources will be available to fund DT&E's test instrumentation development plan at the $1,300,000,000 level projected between fiscal years 1990 and 1994. Even DOT&E's relatively more modest capability improvement program may be unaffordable at its projected $693,117,000 cost for the same period. The Committee believes both programs should be reconfigured on new, more fiscally realistic timetables.

In addition, the Committee questions whether DT&E and DOT&E are fulfilling their missions to be more independent developmental and operational testers than the services through these programs. Currently, the two programs have become off-line budget sources for acquisition of test equipment which the armed services view as too low in priority to include in their own budget requests. DT&E and DOT&E are using their funds primarily to add to service projects. Thus, they are acquiescing to the services' budget priorities instead of changing those priorities to reflect a policy which Congress strongly supports: that the Defense Department and the military should conduct more rigorous developmental and operational testing of weapons systems.

The Committee reaffirms this policy, which recognizes that the Defense Department previously has spent far more resources developing and procuring weapons instead of testing them adequately before deployment. However, the Committee believes that the way to correct this past neglect is not by funding activities which simply augment service spending. DT&E and DOT&E, working with the Office of the Secretary of Defense [OSD], are urged to develop and implement a more affordable strategy aimed at establishing within each service the proper priorities for enhanced developmental and operational testing.

With respect to the two program elements at issue, the Committee also identified specific problems which prompted its funding recommendations.

The DT&E test instrumentation development program contained several projects deleted by the Committee because they are poorly justified, possibly duplicative, premature, technically risky, or incorrectly budgeted in RDT&E when they should be in the "Military construction" appropriations account. Also, some projects should have been budgeted in the RDT&E accounts of the individual services.

The DOT&E capabilities improvement program [CIP] is funded by the Committee at the fiscal year 1989 level plus inflation due to the lack of a required General Accounting Office certification that the program either is within the scope of the mission of the Office of the Director, OT&E, or would be more appropriately conducted by another Defense Department organization. Furthermore, CIP acquisition plans bear uncertain relationship to the timetable for testing of specific weapons systems and are not sufficiently coordinated with the use of existing testing capabilities.

JOINT ROBOTICS PROGRAM

The Committee has been concerned about the direction and composition of the many, diverse robotics projects undertaken by the armed services and defense agencies. Last year, Congress required development of a robotics master plan to impose a more rigorous selection process on the Defense Department and focus these uncoordinated efforts on a more limited number of technologies. The Committee's perspective was that the Defense Department was overreaching in its robotics efforts. The armed services were pursuing technically risky and overly sophisticated technologies before sufficient operational experience was gained with more basic robotics technologies to determine actual—not theoretical—contributions robotics may make to combat capabilities. Such operational experience also could serve to better focus the research and development programs along more promising technology paths.

The first robotics master plan was submitted in mid-1989. The Committee appreciates the difficult efforts which produced this document, as well as the creation of a joint program for unmanned ground vehicles.

The Committee agrees with the Defense Department's assessment of the general requirement for robotics, as stated in the robotics master plan for unmanned ground vehicles. The Committee recognizes that the master plan is a first attempt to focus a large base of information about the robotics activities ongoing in the armed services.

However, while the plan provides for some increased visibility for the many robotics programs, these projects are still proliferated and insufficiently coordinated. The Committee's hope that more policy and program direction would be asserted by the Office of the Secretary of Defense [OSD] has not been realized. The many robotics projects remain subject to the technology and funding priorities of the individual services.

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
KC-135 MODIFICATIONS	--	---	--	---	--	---	--	---	--	---
P-1R ITEMS	--	---	--	- -	--	---	--	---	--	---
TOTAL		---		285,500		250,500		+250,500		-35,000
NATIONAL GUARD EQUIPMENT										
ARMY NATIONAL GUARD										
MISCELLANEOUS EQUIPMENT	--	---	--	80,000	--	75,000	--	+75,000	--	-5,000
SMALL UNIT SUPPORT VEHICLE (SUSV)	--	---	--	---	194	29,200	+194	+29,200	+194	+29,200
M113 ARMORED PERSONNEL CARRIER	--	---	--	91,000	300	91,000	+300	+91,000	+300	---
FIRE SUPPORT TEAM VEHICLES	--	---	87	39,000	--	---	--	---	-87	-39,000
M-1A1 ABRAMS TANK (MYP)	--	---	--	---	58	124,500	+58	+124,500	+58	+124,500
M113 A-2 TO A-3 UPGRADE	--	---	--	10,000	--	---	--	---	--	-10,000
C-23 AIRCRAFT	--	---	4	28,000	6	42,000	+6	+42,000	+2	+14,000
MULTIPLE LAUNCH ROCKET SYSTEM	--	---	--	104,000	--	---	--	---	--	-104,000
5-TON TRUCKS/TRUCK REBUILD	--	---	--	141,800	--	---	--	---	--	-141,800
FAMILY OF HEAVY TACTICAL VEHICLES	--	---	--	---	52	20,100	+52	+20,100	+52	+20,100
TRUCK, TRACTOR, M915A1	--	---	--	---	96	7,600	+96	+7,600	+96	+7,600
CH-47D HELICOPTER	--	---	4	52,000	--	---	--	---	-4	-52,000
UH-60B	--	---	--	---	4	25,000	+4	+25,000	+4	+25,000
P-1R ITEMS	--	---	--	---	--	---	--	---	--	---
TOTAL		-		545,800		414,400		+414,400		-131,400

[In thousands of dollars]

	Budget		House		Committee recommendation		Senate compared to—			
	Qty. (1)	Amount (2)	Qty. (3)	Amount (4)	Qty. (5)	Amount (6)	Qty. (7)	Budget amount (8)	Qty. (9)	House amount (10)
AIR NATIONAL GUARD										
MISCELLANEOUS EQUIPMENT	--	---	--	25,000	--	---	--	---	--	-25,000
C-130 AIRCRAFT	--	---	2	44,500	10	218,000	+10	+218,000	+8	+173,500
F-15 A/B MSIP	--	---	--	---	--	---	--	---	--	---
ACMI NORTH TIER FLIGHT PH II	--	---	--	---	--	---	--	---	--	---
KC-135 AIRCRAFT	--	---	--	---	--	75,000	--	+75,000	--	+75,000
F-15/F-16 IMPROVEMENT PACKAGE	--	---	--	49,000	--	49,000	--	+49,000	--	---
C-26 AIRCRAFT	--	---	9	36,000	--	---	--	---	-9	-36,000
CLASSIFIED PROGRAM	--	---	--	25,000	--	---	--	---	--	-25,000
INSTALLATION OF MODIFICATIONS	--	---	--	---	--	---	--	---	--	---
HC-130H AIRCRAFT	--	---	--	---	1	43,000	+1	+43,000	+1	+43,000
P-1R ITEMS	--	---	--	---	--	---	--	---	--	---
TOTAL		---		179,500		385,000		+385,000		+205,500
MODERNIZATION OF EQUIPMENT - O & M TRANSFER	--	---	--	---	--	---	--	---	--	---
TOTAL, NATIONAL GUARD AND RESERVE EQUIPMENT, DEFENSE		---		1,481,400		1,304,961		+1,304,961		-176,439

The Committee reluctantly concludes that the only way to produce a more focused and cost-effective robotics program is to delete funds for all the separate projects and consolidate them under OSD policy and program direction. The Committee believes it is not necessary or desirable to eliminate the participation of the services and defense agencies program offices in the daily management of robotics development efforts. However, the Committee expects that OSD will decide both the funding and technology priorities for these efforts.

The Committee also is concerned that many of the robotics programs are proceeding without definite requirements from those organizations which would employ such capabilities in combat.

The master plan states that the use of unmanned ground vehicles is not identified in the service's warfighting concepts. More specifically, almost all ongoing and planned robotics activities addressed in the master plan have no approved organizational and operational [O&O] plans or required operational capabilities [ROC] documents.

Despite this lack of specifically identified requirements, the master plan describes a host of ongoing and future robotics activities that, to the Committee, appear premature and duplicative.

The Committee believes that creation of a consolidated program should permit OSD and the services to concentrate on establishing definitive, robotics operational requirements and on pursuing those critical technologies to satisfy these requirements.

Finally, the current robotics master plan should be updated and submitted to the Committees on Appropriations by May 1, 1990. It should include a detailed explanation of how the Defense Department is: (1) improving the definition of the requirements for employment of robotics in future warfighting capabilities; (2) concentrating on the critical technologies needed to satisfy those requirements; and (3) eliminating premature and duplicative activities.

AIR FORCE AND SDI TACTICAL WARNING/ATTACK ASSESSMENT PROGRAMS

For the past 2 years, the Committee has attempted to obtain from the Department of Defense a precise definition of current and future requirements for tactical warning and attack assessment programs to meet the needs of the Air Force and of the Strategic Defense Initiative [SDI].

The Committee believes these requirements must be defined more precisely to enable the Congress to decide among the two costly programs being proposed to satisfy these needs: (1) continued improvements to the current system, the Air Force's defense support program [DSP]; or (2) continued development and deployment of a new system, the boost surveillance and tracking system [BSTS] being developed in the strategic defense initiative [SDI], with or without SDI battle management and command-control-communications capabilities. The ultimate state of these requirements could affect significantly the costs and technological approaches for continuing the BSTS program or undertaking additional enhancements to the DSP system.

The Committee does not believe that it is possible fiscally to fund both costly improvements to DSP and an expensive BSTS development program. It is seeking the earliest prudent opportunity to make a choice between them so as to minimize current and future expenditures.

The Committee understands that the Defense Department again is reviewing these requirements, despite previous efforts during the past 2 years. The Defense Department needs to settle on a firm set of requirements in this important area and to make a more effective case for either pursuing DSP enhancement options or variants of BSTS. To encourage these difficult choices, the Committee prohibits the obligation or expenditure of more than 50 percent of the funds appropriated for DSP or BSTS for fiscal year 1990 until the Defense Department submits an updated report assessing options for meeting future ballistic missile tactical warning/attack assessment [TW/AA] and SDI-related requirements.

The Committee expects that the required report will be submitted with the fiscal year 1991 budget request and will include, at a minimum, a clear statement of the Nation's TW/AA requirements—with and without deployment of strategic defenses—and detailed cost-effectiveness and military-effectiveness comparisons among the several DSP and BSTS options for meeting these requirements.

CONSOLIDATION OF UNIVERSITY RESEARCH FUNDS

The Defense Department requested a total of $96,016,000 for the university research initiatives [URI] programs in each of the services and the Defense Advanced Research Projects Agency [DARPA]. These program elements fund defense-related basic research conducted by individuals and teams at universities and colleges nationwide. Until this year's budget request and since its initiation 4 years ago, URI has been funded through a central program element administered by the Office of the Secretary of Defense [OSD].

The Committee recommends reconsolidating URI funds in a single OSD program element, and it has denied the separate service funding requests. A consolidated program provides increased responsiveness to OSD policy guidance, fuller participation in the joint planning process, and reduced duplication among the services and DARPA.

HUMAN FACTORS RESEARCH

The Committee agrees with House report language recognizing the worth of human factors research and training. In recognizing the value of this research/training, the Committee also is aware that other Federal agencies are engaged in similar activities. The Committee encourages the Department of Defense to make certain that its human factors research and training programs are not duplicative of research being funded either privately or by the Federal Government in other programs and to give human factors research a priority this fiscal year.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY

Appropriations, 1989	$5,130,166,000
Budget estimate, 1990	5,693,500,000
House allowance	5,578,700,000
Committee recommendation	5,382,737,000

The Committee recommends an appropriation of $5,382,737,000, a reduction of $310,763,000 to the budget request. The recommendation is $195,963,000 below the House allowance.

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Technology base	787,290	843,290	727,607	−59,683
Advanced technology development	499,184	507,339	485,912	−13,272
Strategic programs	78,699	78,699	68,699	−10,000
Tactical programs	2,974,488	2,846,439	2,902,694	−71,794
Intelligence and communications	102,182	95,623	101,682	−500
Defensewide mission support	1,251,657	1,207,310	1,096,143	−155,514

The budget activities and programs funded under this appropriation are discussed below.

HOUSE REDUCTIONS

The Committee concurs with the following House reductions:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Command control, communication advanced technology	11,652	8,000	8,000	−3,652
Real property maintenance (R&D)	175,331	173,331	173,331	−2,000
Base operations (R&D)	198,692	195,692	195,692	−3,000
Command, control, communication technology	21,903	15,903	15,903	−6,000

CLASSIFIED PROGRAM ADJUSTMENTS

The Committee recommends the following adjustments to classified programs, as explained in the classified annex to the Committee's report:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Strategic programs—classified	78,699	63,699	53,699	−25,000
Intell/comm. programs-classified	26,025	19,466	25,525	−500

OTHER ADJUSTMENTS

The Committee recommends the following adjustments—already approved by the Senate—to the budget request:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Army user test instrument, and threat simulators	64,805	37,458	60,305	−4,500
Support of operational testing	70,869	70,869	64,869	−6,000
Programwide activities	89,434	89,434	86,434	−3,000

COMMITTEE RECOMMENDED ADJUSTMENTS

The fiscal year 1990 budget requests funds for several programs which include: (a) Real growth in areas identified by the Office of the Secretary of Defense or the armed services as lower priority efforts in fiscal year 1990; or (b) contract savings, unspecified contingency funds, duplicative risk reduction funds, or funds which will not be obligated until fiscal year 1991, as identified by the General Accounting Office. Accordingly, the Committee recommends the following adjustments:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Materials tech	13,391	13,391	11,435	−1,956
Missile tech	31,008	46,008	25,292	−5,716
Combat vehicle and automotive tech	37,219	37,219	33,007	−4,212
Ballistics tech	30,334	30,334	28,220	−2,114
Environmental quality tech	11,904	11,904	9,841	−2,063
Nonsystem training device technology	4,408	4,408	3,535	−873
Army technical test instrumentation and targets	66,926	66,926	61,967	−4,959
Technical inform. activities	7,608	7,608	5,944	−1,664
Industrial prep	34,454	34,454	12,701	−21,753
Aircraft propul. system	51,703	51,703	38,803	−12,900
Light armed scout helicopter [LHX]	240,728	526,728	233,728	−7,000
Advanced antitank weapon system [AAWS–M]	158,694	158,694	137,594	−21,100

ADDITIONAL MAJOR PROGRAM ADJUSTMENTS AND SPECIAL INTEREST ITEMS

The Committee recommends the following additional adjustments to the budget request, along with recommendations and observations about several special interest items:

University research sciences.—The Committee denies the $21,859,000 requested for this program by the Army and transfers these funds to a consolidated University Research Initiatives Program in the "Defense Agencies" account. The Committee's reasons for this recommendation are expressed in the introduction to the overall RDT&E section of this report. The House allowance provides the requested funds in the Army program element.

Armor and antiarmor initiatives.—The Committee recommends several increases and decreases to the Army's budget request. This is done to reflect several initiatives designed to counter improving Soviet capabilities in armored warfare. Most significantly, the Committee recommends appropriation of almost all of the funds requested for the Army's Heavy Force Modernization [HFM] Program, which is allocated among several program elements.

First, minor adjustments are recommended to reduce concurrency in the HFM program. Necessary advanced technology development work is fully funded on the core of the program—the tank common chassis and component development—but other specific vehicle applications are deferred. Second, the termination of the block II development program for the M-1A1 main battle tank is recommended due to its high cost and marginal combat firepower against the expected Soviet threat.

The specific recommendations are as follows:

Weapons and munitions advanced technology; tractor trailer.—The Committee recommends $52,701,000 for the Weapons and Munitions Advanced Technology Program. This recommendation is $3,927,000 above the budget request and $15,073,000 below the House allowance of $67,774,000. The recommendation denies the $1,000,000 sought for concept definition work associated with the advanced technology transition demonstration for the advanced field artillery system [AFAS] element of the Army's Heavy Force Modernization Program.

The Committee believes that the AFAS effort is premature for two reasons: (a) The Army has not finished its current artillery upgrade project, known as the Howitzer Improvement Program [HIP]; and, (b) more underlying technology development work needs to occur first in the Heavy Force Modernization Program on the common chassis and other components.

The recommendation also reflects the Committee's decision to transfer into the Weapons and Munitions Advanced Technology Program the $4,927,000 originally requested in the classified tractor trailer program. The House allowance denies the tractor trailer funds in entirety.

Combat vehicle and automotive advanced technology.—The Army requested $158,047,000 for this program element, which funds most of the heavy force modernization effort. The Committee recommends denial only of the $7,000,000 for premature development of the combat mobility (engineer) vehicle advanced technology transition demonstration. This project is too concurrent with the other common chassis and component work. The Committee's recommendation is $66,000,000 above the House allowance of $85,047,000. The House denied all funds for the HFM program.

Combat vehicle improvement program.—This program funds the engineering development of improvements to the Army's primary heavy and light armored vehicles. The Committee recommends $67,791,000 for this program, an amount $5,425,000 below the budget request and the House allowance. The recommendation includes denial of $63,525,000 sought for the M-1A1 block II development and $6,900,000 for premature initiation of the M-1A1 block III tank component of the Heavy Force Modernization [HFM] program. This latter effort represents excessive concurrency with the core of the HFM program.

The Committee recommends termination of the M-1A1 block II project because it does not represent sufficient improvement in firepower and capabilities to justify a $11,400,000,000 total program cost for only 2,926 tanks. The Committee believes the M-1A1 block II is unjustified and unaffordable as the Army moves to develop significantly improved armor capabilities in its Heavy Force Modernization Program. Scarce Army RDT&E funds are better invested in the development of more technologically advanced heavy armored vehicles to counter the improved Soviet tank threat expected only a few years after the M-1A1 block II is to be fielded in numbers.

The Committee partially offsets the previously discussed reductions by adding funds to develop higher-payoff armor and antiarmor capabilities as follows: (a) $20,000,000 to initiate full scale development of the classified Stingray improvement to the Bradley fighting vehicle system; (b) $15,000,000 for accelerated development of electromagnetic and electrothermal antiarmor gun technologies, on a competitive basis; and (c) $30,000,000 for a classified program.

With respect to the electromagnetic/electrothermal gun funding, the Committee is aware of the Army's initiative to establish a new federally funded research and development center for these technologies. The Committee requests a report with the submission of the fiscal year 1991 budget request on the use of appropriated funds to establish this center, including the outcome of the source selection process. The report also should include the extent of coordination of technology developments in this area among all the services and other relevant, Federal departments and agencies, including the status of any memoranda of agreement and of any efforts to acquire or construct expanded or additional testing facilities. The Committee expects the Defense Department not to contribute to duplication of federally funded test facilities.

Army Development and Employment Agency [ADEA].—ADEA was the Army's former test bed agency to experiment with doctrine, troop organizations, and weapons associated with more mobile, lighter forces. The Army changed its mission last year to focus the agency on field testing for advanced communications systems and concepts.

ADEA has accomplished its original objectives, and since last year, its functions have been undertaken by the Army Materiel Command [AMC] and the Army Training and Doctrine Command [TRADOC].

The Committee denies the requested $3,947,000 in ADEA funding as duplicative and unnecessary. The House allowance approves the budget request.

Chemical weapons convention compliance monitoring.—The Committee agrees with the House recommendation to provide $15,000,000 for an Army effort in chemical weapons verification research. However, the Committee is restricting the use of these funds due to the Defense Department's failure to comply with a requirement imposed in the Committee's report on the Fiscal Year 1989 Defense Appropriations Act. The Committee expected the Department to submit with the fiscal year 1990 budget request a well-defined, focused program of chemical weapons compliance monitoring research designed to support the U.S. negotiating effort in chemical weapons arms control. Accordingly, obligation and expenditure of any of these recommended funds is prohibited until 30 days after the Committee receives the required report.

Antisatellite [ASAT] programs.—The Committee recommendations with respect to Army ASAT programs, including restrictions on the use of the funds, are explained fully in the overview introduction to the RDT&E report. The specific recommendations are:

ASAT.—This program develops the kinetic energy (nonlaser) weapons and tactical command-control-communications networks to threaten low-Earth-orbit Soviet military satellites. The Committee recommends $85,572,000 for this program, an amount $9,000,000 below the budget request of $94,572,000 and $25,572,000 above the House allowance. The deleted funds represent a management reserve which is excess to clearly identified program needs.

Directed energy.—The Committee recommends $46,135,000 for this program, an amount which is the same as the budget request and the House allowance. Included in these funds is $35,000,000 associated with development of laser antisatellite [ASAT] weapons capabilities: (a) $15,000,000 to develop technologies for ASAT applications for the Army's ground-based free electron laser being developed as part of the Strategic Defense Initiative; and (b) $20,000,000 to upgrade for ASAT applications the mid-infrared advanced chemical laser [MIRACL] Sealite beam director at White Sands Missile Range, NM. These ASAT-related funds are subject to the obligation and expenditure restriction proposed by the Committee.

Army test ranges and facilities.—This program element contains funds to use and maintain several major Army weapons testing installations. It includes $9,000,000 to support the MIRACL laser Sealite beam director's ASAT activities. These funds are subject to the obligation and expenditure restriction.

The Committee recommends a total appropriation of $220,929,000 for this program element, a reduction of $6,000,000 from the budget request and an amount $1,000,000 above the House allowance. The reduction is recommended to restrain to a moderate level requested real growth in the overall program element.

Joint tactical missile defense and medium surface-to-air missile.—The Committee recommends funding the $36,096,000 budget request for the Joint Tactical Missile Defense [JTMD] Program, which investigates technologies that defend against the tactical ballistic missile threat to U.S. forces and installations. However, the Committee understands that the Office of the Secretary of Defense [OSD] is reviewing the entire program to reconcile and rationalize the multiplicity of technologies being developed by the Army in its JTMD and air defense programs and by the Antitactical Ballistic Missile Program within the Strategic Defense Initiative. The Committee is strongly supportive of this review due to its concern that in an era of severely constrained defense budgets, the Pentagon cannot afford costly and duplicative tactical missile defense/air defense technology programs. The recommended appropriation for the JTMD Program is $50,000,000 below the amount allowed by the House.

In addition to the ongoing OSD review discussed above, the Army is in the process of completing its air defense modernization plan which must also be reviewed by OSD. As a result, the Committee believes that funding for a separate Army program to develop a new medium surface-to-air missile [MSAM] is premature. Thus, the Committee is deleting all $4,740,000 requested for MSAM, in agreement with the House recommendation. MSAM also should be considered for funding in the NATO R&D Program in the "Defense Agencies" account, since several NATO and non-NATO allies also need to modernize their medium air defense capabilities.

Forward area air defense system.—This program develops a new system of mobile antiaircraft missiles and guns to counter Soviet attack aircraft and helicopters. The Committee recommends $58,210,000 for this program element, an increase of $18,000,000 above the budget request and the House allowance. These additional funds are recommended to permit the air defense/antitank [ADATS] component of this program to undergo increased testing requirements imposed by Congress and the Defense Department's Director of Operational Test and Evaluation.

Weapons and munitions advanced development.—This program funds development of new artillery-related systems or improvements to existing Army individual soldier weapons. The Committee is providing $23,856,000, a reduction of $22,230,000 from the budget request but $5,996,000 above the House recommendation. The reduction eliminates funds requested for duplicative or premature efforts, as follows: (1) $2,500,000 from the request for the NATO advanced precision guided munition [APGM], since funds exist for the same project in the NATO Research and Development program element in the "Defense Agencies" account; (2) $16,512,000 because an equal amount of fiscal year 1989 funds in this Army program element remains unobligated for the NATO APGM, and should be available for fiscal year 1990 efforts; (3) $2,250,000 for the Mark 19 grenade launcher upgrade, due to persistent problems with production and reliability of the basic Mark 19 launcher; and, (4) $968,000 for funding a fire-and-forget common infrared seeker project which duplicates the NATO APGM Program.

Manpower/personnel/training technology.—The Committee recommends an appropriation of $17,148,000 for this program, an amount equal to the budget request and the House allowance. Of the amount appropriated, the Committee directs $250,000 be made available solely to continue funding the Army Research Institute's participation in a joint research project with the Veteran's Administration [VA] and the Department of Energy [DOE]. This project centers on magnetoencephalography, a technique to evaluate certain brain characteristics, to determine if they can be used to identify, select, and train individuals with greater potential to perform well as soldiers. Army funds may not be obligated or expended before VA and DOE contributions are available for the project.

Surface-to-surface missile rocket system.—The development of the Army's multiple launch rocket system [MLRS] and its terminally guided antiarmor warhead [TGW] is funded in this program element. The Committee is aware of the fact that a delay in the contract award for the MLRS TGW has made $18,278,000 in fiscal year

1989 funds available to support fiscal year 1990 activities. Therefore, the fiscal year 1990 budget request can be reduced by a similar amount, resulting in an appropriation of $28,897,000 for this program, an equal amount above the House allowance.

Joint robotics program.—As addressed in the RDT&E introduction, the Committee recommends a total reduction of $22,565,000 in the following program elements for efforts associated with the Army's robotics activities:

Defense research sciences (AH-60): Advanced weapon automation technology	−$2,290,000
Weapons and munitions technology (AH-18):	
Advanced Howitzer integrated technology [AHIT]	−3,500,000
Semiautonomous mission modules [SAMM]	−1,500,000
Human factors engineering technology (AH-70):	
Field materiel handling robot technology [FMR-T]	−1,000,000
Tech base enhance of auton machines [TEAM]	−5,600,000
Logistics technology (AH-20): Universal self-deploy cargo handler [USDCH]	−1,000,000
Landmine warfare and barrier—advanced development (D-606): Minefield reconn and detect sys [MIRADOR]	−3,000,000
Army battlefield technology integration (DK-20): Robotic Command Center	−2,600,000
Logistics and engineer equipment—advanced development (DG-14): Universal self-deploy cargo handler [USDCH]	−2,000,000
RDT&E support for nondevelopmental items (DE-65): Stereoscopic displays	−75,000

In addition to these specific reductions, a reduction of $9,930,000 is recommended against the Army's fiscal year 1990 RDT&E account due to the service's inability to identify which program elements provide funding for the robotics projects listed below:

ROBAT phase II engineering development	−$2,500,000
Robotic security sensor system [ROS3]	−2,100,000
Light armored vehicle/wiesel evaluation	−800,000
Robotic Command Center	−229,000
Multivehicle robotic firing platoon	−2,000,000
Soldier Robot Interface Program [SRIP]	−250,000
ARO basic research for advanced manipulator	−625,000
Consolidated intelligent control unit	−200,000
Human factors engineering in robotics control	−250,000
Image instantiation	−240,000
Robot emulator	−50,000
Robotic tactical reconn mission package	−336,000
Robotic vehicle video image transmission	−200,000
Telerobot control for teams of semiautonomous agents	−150,000

The Army is directed to eliminate these funds from the specific program elements involved and identify them to the Committee.

RDT&E-related military construction.—Facilities construction and repairs at Army installations associated with RDT&E are funded in both the "RDT&E" and "Military construction" appropriations accounts. The Committee has reduced the "Army RDT&E" account by $10,296,000 since these funds will be provided in the "Military construction" account.

R&D support/civilian work year growth.—Since fiscal year 1988, the growth rates in certain Army RDT&E support cost categories have far exceeded those for the other services and defense agencies. Due to overall fiscal constraints and the expected lack of growth in total defense spending in fiscal year 1990, a reduction of $82,377,000 is recommended. The Committee denies $32,498,000 for a requested increase of 760 civilian work-years and holds the work-years at the fiscal year 1989 level. Also, reductions in other support categories are recommended to eliminate the difference between the fiscal year 1990 requested levels and fiscal year 1988 baseline funds, adjusted for inflation. These reductions are as follows: $22,313,000 for travel/transport of persons; $17,087,000 for equipment; $6,056,000 for transport of things; and $4,423,000 for printing and reproduction.

Use of prior year (fiscal year 1989) funds.—The Committee has identified $33,954,000 of Army RDT&E funds appropriated for fiscal year 1989 that are available for reallocation for fiscal year 1990 uses due to program terminations, contract savings, or changes in program requirements. The following fiscal year 1989 funds are available: (1) $5,480,000 from the now-terminated DRAGON III program; (2) $15,574,000 from the now-terminated UH-60 helicopter Multistage Improvement Program; (3) $5,000,000 from the now-terminated Fluidtronics Program; and (4) $7,900,000 from the aircraft propulsion system (LHX engine) program due to contract savings.

The Committee directs that these funds be allocated in fiscal year 1990 for the following purposes: (1) $20,000,000 for a classified program; (2) $3,000,000 for the Army to explore increasing the speed and agility of helicopters by funding the vectored thrust combat agility demonstrator flight test program; this flight research project is intended to provide data for determining realistic, optimum air-to-air rotorcraft design characteristics for all future rotorcraft projects; (3) $9,194,000 for the Soldier/Marine Enhancement Program—a program to improve the weapons and personal equipment of infantry personnel; and (4) $1,760,000 for research on the Stiller-Smith reciprocating engine to explore the use of this engine for future combat vehicles.

Soldier/Marine Enhancement Program.—The Committee recommends an addition to the budget request of $20,806,000 for an initiative to improve the weapons and personal equipment of infantry personnel. In the previous entry, the Committee recommended allocating $9,194,000 of available fiscal year 1989 funds for the same purposes. Therefore, the total funding recommended to support this program in fiscal year 1990 is $30,000,000.

The Committee directs that $18,000,000 be used by the Army for its efforts in this area, and that $12,000,000 be transferred immediately upon enactment of the Fiscal Year 1990 Defense Appropriations Act directly to the Marine Corps for its participation in the program.

The Committee further directs that both services closely coordinate their activities to maximize commonality and interoperability, except when service-unique requirements clearly justify separate projects.

In addition, the Committee expects that the Office of the Secretary of Defense will ensure that no duplication occurs between any Army and Marine Corp projects under this program and other projects in the Defense Department. For example, the Committee is concerned that the Army proposes to develop a hand-held navigation aid to receive ground-position information from satellites. Yet the Defense Advanced Research Projects Agency already is developing a hand-held, minireceiver to obtain data from the global positioning system satellites.

In addition, the Committee believes that the emphasis in this program should be on developing improved soldier items which are lighter, sturdier, more comfortable, less complex to use, and more likely to perform reliably under the rigors of ground combat. The Committee stresses that the objective of this program is to obtain, develop and test equipment—preferably off-the-shelf—which passes the common sense tests of the soldiers and experienced noncommissioned officers in the field. It is not to undertake excessively complex and expensive technology developments which reflect the technologists' view of the battlefield.

The Committee firmly believes this program is not to develop technology for technology's sake, but usable, more capable, more realistic equipment for the common soldier's sake. Within this context, the Committee directs that no funds in this program may be used for an Army proposed project described as a maneuver arms tactical protection system that provides the individual dismounted soldier head-to-toe integrated protection against multiple hazards including chemical, biological, ballistic, flame/flash, directed energy, and environmental.

House actions not agreed to.—The Committee disagrees with the following recommendations contained in the House allowance:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Computer H/W and S/W technology	5,528	3,528	5,528	
Technology base undistributed		49,000		
Tractor hole	9,193		9,193	
AIDS		34,000		
Missile and rocket advanced technology	10,678	25,678	10,678	
IR focal plane array		25,000		
Battery technology		1,000		
Combat service support computer system evaluator	2,263	563	2,263	
Army tactical missile system	44,661	41,661	44,661	
Air defense command, control, and intelligence engineer development	62,891	49,891	62,891	
Aviation—engineering development	8,393	15,893	8,393	
Weapons and munitions—engineering development	16,364	26,364	16,364	
Tractor pull	3,920		3,920	
Airborne adverse weather weapon system engineer development	89,046	84,546	89,046	
Army tactical command and control H/W and S/W	25,223	11,223	25,223	
Aircraft modification/product improvement programs	81,453	32,000	81,453	
Other missile product improvement programs	80,625	74,625	80,625	
Tractor rig	13,991	5,991	13,991	
Tacit rainbow	57,686		57,686	
Force enhancements—Active	58,536	53,536	58,536	
Defensewide mission support—classified	55,997	50,997	55,997	
Tactical programs—classified	567,311	371,661	567,311	

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to—	
				Budget estimate (4)	House allowance (5)
RESEARCH DEVELOPMENT TEST & EVAL ARMY					
TECHNOLOGY BASE					
IN-HOUSE LABORATORY INDEPENDENT RESEARCH	9,079	9,079	9,079	—	—
DEFENSE RESEARCH SCIENCES	175,885	175,885	173,595	-2,290	-2,290
UNIVERSITY RESEARCH SCIENCES	21,859	21,859	—	-21,859	-21,859
MATERIALS TECHNOLOGY	13,391	13,391	11,435	-1,956	-1,956
ELECTRONIC SURVIVABILITY AND FUZING TECHNOLOGY	28,187	28,187	28,187	—	—
SURVIVABILITY ENHANCEMENT	5,949	5,949	5,949	—	—
AVIATION TECHNOLOGY	41,492	41,492	41,492	—	—
MISSILE TECHNOLOGY	31,008	46,000	25,292	-5,716	-20,716
LASER WEAPONS TECHNOLOGY	552	552	552	—	—
COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	37,219	37,219	33,007	-4,212	-4,212
BALLISTICS TECHNOLOGY	30,334	30,334	28,220	-2,114	-2,114
CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	53,940	53,940	53,940	—	—
JOINT SERVICE SMALL ARMS PROGRAM	5,126	5,126	5,126	—	—
WEAPONS AND MUNITIONS TECHNOLOGY	39,104	39,104	34,104	-5,000	-5,000
ELECTRONICS AND ELECTRONIC DEVICES	18,221	18,221	18,221	—	—
NIGHT VISION TECHNOLOGY	19,269	19,269	19,269	—	—
HUMAN FACTORS ENGINEERING TECHNOLOGY	15,000	15,000	8,400	-6,600	-6,600
ENVIRONMENTAL QUALITY TECHNOLOGY	11,904	11,904	9,841	-2,063	-2,063
NON-SYSTEM TRAINING DEVICE TECHNOLOGY	4,408	4,408	3,535	-873	-873
MILITARY DISEASE HAZARDS TECHNOLOGY	—	—	—	—	—
COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	21,903	15,903	15,903	-6,000	—
COMPUTER AND SOFTWARE TECHNOLOGY	5,528	3,528	5,528	—	+2,000
MILITARY ENGINEERING TECHNOLOGY	45,237	45,237	45,237	—	—
MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	17,148	17,148	17,148	—	—
LOGISTICS TECHNOLOGY	37,343	37,343	36,343	-1,000	-1,000
MEDICAL TECHNOLOGY	96,366	96,366	96,366	—	—
TRACTOR FLOP	1,838	1,838	1,838	—	—
UNDISTRIBUTED (AUTH LEVEL)	—	49,000	—	—	-49,000
TOTAL, TECHNOLOGY BASE	787,290	843,290	727,607	-59,683	-115,683
ADVANCE TECHNOLOGY DEVELOPMENT					
LOGISTICS ADVANCED TECHNOLOGY	10,484	10,484	10,484	—	—
MEDICAL ADVANCED TECHNOLOGY	34,671	34,671	34,671	—	—
AVIATION ADVANCED TECHNOLOGY	31,984	31,984	31,984	—	—
WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	48,774	67,774	52,701	+3,927	-15,073
COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	158,047	85,047	151,047	-7,000	+66,000
COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	11,652	8,000	8,000	-3,652	—
HUMAN FACTORS/PERSONNEL/TRAINING ADVANCED TECHNOLOGY	18,896	18,896	18,896	—	—
TRACTOR HOLE	9,193	—	9,193	—	+9,193
TRACTOR DIRT	1,838	1,838	1,838	—	—
MATERIALS AND STRUCTURES ADVANCED TECHNOLOGY	4,689	4,689	4,689	—	—
ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS) RESEARCH	—	34,000	—	—	-34,000
MISSILE AND ROCKET ADVANCED TECHNOLOGY	10,678	25,678	10,678	—	-15,000
DIRECTED ENERGY	46,135	46,135	46,135	—	—
ARMY DEVELOPMENT AND EMPLOYMENT AGENCY	3,947	3,947	—	-3,947	-3,947
LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	10,272	10,272	10,272	—	—
JOINT SERVICE SMALL ARMS PROGRAM	6,826	6,826	6,826	—	—
NIGHT VISION ADVANCED TECHNOLOGY	21,781	21,781	21,781	—	—
MILITARY ENGINEERING ADVANCED TECHNOLOGY	3,618	3,618	3,618	—	—
ADVANCED ELECTRONIC DEVICES DEVELOPMENT	6,849	6,849	6,849	—	—
ARMY BATTLEFIELD TECHNOLOGY INTEGRATION	2,600	2,600	—	-2,600	-2,600
CHEMICAL BIOLOGICAL DEFENSE AND SMOKE ADVANCED TECHNOL	3,989	3,989	3,989	—	—
ADVANCED TACTICAL COMPUTER SCIENCE AND TECHNOLOGY	4,480	4,480	4,480	—	—
ADVANCED SPECIAL OPERATIONS RESEARCH, DEVELOPMENT AND.	12,371	12,371	12,371	—	—
IR FOCAL PLANE	—	25,000	—	—	-25,000
ELECTRONIC WARFARE ADV. TECH. DEV	—	—	—	—	—
ELECTRONIC WARFARE - ENG. DEV	—	—	—	—	—
BATTERY TECHNOLOGY	—	1,000	—	—	-1,000

[In thousands of dollars]

	Budget estimate	House allowance	Committee recom-mendation	Senate compared to—	
				Budget estimate	House allowance
	(1)	(2)	(3)	(4)	(5)
COMMON INTEGRATED ELECTRONIC WARFARE SYSTEM............	---	---	---	---	---
CLASSIFIED PROGRAMS..................................	35,410	35,410	35,410	---	---
TOTAL, ADVANCE TECHNOLOGY DEVELOPMENT................	499,184	507,339	485,912	-13,272	-21,427
STRATEGIC PROGRAMS					
CHEMICAL WEAPONS CONVENTION COMPLIANCE MONITOR........	---	15,000	15,000	+15,000	---
CLASSIFIED PROGRAMS..................................	78,699	43,699	53,699	-25,000	-10,000
TOTAL, STRATEGIC PROGRAMS............................	78,699	78,699	68,699	-10,000	-10,000
TACTICAL PROGRAMS					
JOINT TACTICAL MISSILE DEFENSE PROGRAM................	36,096	86,096	36,096	---	-50,000
SURFACE-TO-SURFACE MISSILE ROCKET SYSTEM..............	47,175	---	28,897	-18,278	+28,897
ANTI-SATELLITE SYSTEM (ASAT)..........................	94,572	60,000	85,572	-9,000	+25,572
ADVANCED ANTI-TANK WEAPON SYSTEM......................	56,598	56,598	56,598	---	---
HYPERVELOCITY MISSILE................................	---	---	---	---	---
LANDMINE WARFARE AND BARRIER - ADV DEV................	3,747	3,747	747	-3,000	-3,000
SMOKE, OBSCURANT AND EQUIPMENT DEFEATING SYSTEMS - ADV	8,796	8,796	8,796	---	---
MEDIUM SURFACE-TO-AIR MISSILE........................	4,740	---	---	-4,740	---
IDENTIFICATION-FRIEND-OR-FOE - ADV DEV................	---	---	---	---	---
ARMY DATA DISTRIBUTION SYSTEM........................	19,414	19,414	19,414	---	---
NON-SYSTEM TRAINING DEVICES - ADV DEV.................	---	---	---	---	---
SOLDIER SUPPORT AND SURVIVABILITY....................	6,822	6,822	6,822	---	---
MEDICAL DEFENSE AGAINST CHEMICAL WARFARE..............	---	---	---	---	---
FORWARD AREA AIR DEFENSE (FAAD) SYSTEM................	40,210	40,210	58,210	+18,000	+18,000
NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT.............	3,087	3,087	3,087	---	---
AIRBORNE ADVERSE WEATHER WEAPONS SYSTEM...............	23,162	23,162	23,162	---	---
FOLLOW-ON LANCE - ADV DEV............................	---	---	---	---	---
AVIATION - ADV DEV...................................	15,971	15,971	15,971	---	---
WEAPONS AND MUNITIONS - ADV DEV......................	46,086	17,860	23,856	-22,230	+5,996
CHEMICAL SYSTEMS - ADV DEV...........................	7,211	7,211	7,211	---	---
LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV............	18,713	18,713	16,713	-2,000	-2,000
COMBAT SERVICE SUPPORT COMPUTER SYSTEM EVALUATION AND.	2,263	563	2,263	---	+1,700
CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT - ADV DEV.......	20,001	20,001	20,001	---	---
MEDICAL SYSTEMS - ADV DEV............................	27,305	27,305	27,305	---	---
CLASSIFIED PROGRAM...................................	29,092	29,092	29,092	---	---
ADVANCED MISSILE SYSTEM-HEAVY........................	13,000	13,000	13,000	---	---
AIRCRAFT WEAPONS.....................................	9,596	9,596	9,596	---	---
AIRCRAFT PROPULSION SYSTEM...........................	51,703	51,703	38,803	-12,900	-12,900
LIGHT ARMED SCOUT HELICOPTER (LHX)....................	240,728	526,728	233,728	-7,000	-293,000
GRASS BLADE..	---	---	---	---	---
ARMY TACTICAL MISSILE SYSTEM (ARMY TACMS).............	44,661	41,661	44,661	---	+3,000
ARMY TACTICAL MISSILE SYSTEM BLOCK II UPGRADE.........	---	---	---	---	---
MEDIUM TACTICAL VEHICLES.............................	18,372	18,372	18,372	---	---
SMOKE, OBSCURANT AND EQUIPMENT SYSTEMS - ENG DEV......	13,225	13,225	13,225	---	---
ADVANCED ANTI-TANK WEAPON SYSTEM - ENG DEV............	158,694	158,694	137,594	-21,100	-21,100
LANDMINE WARFARE.....................................	21,779	21,779	21,779	---	---
HEAVY TACTICAL VEHICLES..............................	5,414	5,414	5,414	---	---
M1A1 DEVELOPMENT PROGRAM.............................	---	---	---	---	---
IDENTIFICATION-FRIEND-OR-FOE - ENG DEV................	23,126	23,126	23,126	---	---
NIGHT VISION SYSTEMS - ENG DEV.......................	19,354	19,354	19,354	---	---
COMBAT FEEDING, CLOTHING, AND EQUIPMENT..............	4,930	4,930	4,930	---	---
NON-SYSTEM TRAINING DEVICES - ENG DEV.................	16,124	16,124	16,124	---	---
EDUCATION AND TRAINING SYSTEMS DEVELOPMENT............	---	---	---	---	---
SPECIAL PURPOSE DETECTORS............................	485	485	485	---	---
METEOROLOGICAL EQUIPMENT AND SYSTEMS..................	---	---	---	---	---
AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE - ENG DE	62,891	49,891	62,891	---	+13,000
AUTOMATIC TEST EQUIPMENT DEVELOPMENT..................	9,269	9,269	9,269	---	---
MEDICAL CHEMICAL DEFENSE LIFE SUPPORT MATERIAL........	---	---	---	---	---
JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM.........	39,659	39,659	39,659	---	---

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
JOINT INTEROPERABILITY OF TACTICAL COMMAND & CONTROL S	4,622	4,622	4,622	---	---
AVIATION - ENG DEV..................................	8,393	15,893	8,393	---	-7,500
WEAPONS AND MUNITIONS - ENG DEV......................	16,364	26,364	16,364	---	-10,000
CHEMICAL SYSTEMS - ENG DEV...........................	31,444	31,444	31,444	---	---
LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV...........	31,532	31,532	31,532	---	---
COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV....	11,893	11,893	11,893	---	---
CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT - ENG DEV.......	39,562	39,562	39,562	---	---
MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT.	17,569	17,569	17,569	---	---
LANDMINE WARFARE/BARRIER - ENG DEV...................	9,802	9,802	9,802	---	---
FIBER OPTIC GUIDED MISSILE - ENG DEV.................	139,366	139,366	139,366	---	---
TRACTOR PULL..	3,920	---	3,920	---	+3,920
SEEK AND DESTROY ARMAMENT MISSILE - ENG DEV..........	154,972	154,972	154,972	---	---
TRACTOR TRAILER.....................................	4,927	---	---	-4,927	---
AIRBORNE ADVERSE WEATHER WEAPON SYSTEM - ENG DEV......	89,046	84,546	89,046	---	+4,500
TRACTOR BALL..	9,609	9,609	9,609	---	---
ARMY TACTICAL COMMAND AND CONTROL HARDWARE AND SOFTWAR	25,223	11,223	25,223	---	+14,000
FOWARD AREA AIR DEFENSE GROUND BASES SENSOR..........	17,194	17,194	17,194	---	---
FOLLOW-ON LANCE.....................................	32,819	32,819	32,819	---	---
JOINT C3 POINT OF CONTACT, TEST AND ASSESSMENT........	6,030	6,030	6,030	---	---
ADV FIELD ARTILLERY TACTICAL DATA SYSTEM..............	37,504	37,504	37,504	---	---
COMBAT VEHICLE IMPROVEMENT PROGRAMS..................	73,216	73,216	67,791	-5,425	-5,425
AIR DEFENSE C21 MODIFICATIONS........................	---	---	---	---	---
MANEUVER CONTROL SYSTEM..............................	7,419	7,419	7,419	---	---
155MM SELF-PROPELLED HOWITZER IMPROVEMENTS............	10,666	10,666	10,666	---	---
AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS...	81,453	32,000	81,453	---	+49,453
WEAPONS AND MUNITIONS EQUIPMENT UPGRADE PROGRAM.......	---	---	---	---	---
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM.........	5,828	5,828	5,828	---	---
MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM.......	49,895	49,895	49,895	---	---
OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS............	80,625	74,425	80,625	---	+6,000
TRACTOR RIG...	13,991	5,991	13,991	---	+8,000
TRACTOR CARD..	12,000	12,000	12,000	---	---
TACIT RAINBOW.......................................	57,686	---	57,686	---	+57,686
JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC).......	---	---	---	---	---
EUCOM C3 SYSTEMS....................................	---	---	---	---	---
FORCE ENHANCEMENTS-ACTIVE............................	58,536	53,536	58,536	---	+5,000
ITV HELLFIRE MODERNIZATION...........................	---	---	---	---	---
TACJAM..	---	---	---	---	---
DRAGON III..	---	---	---	---	---
SOLDIER/MARINE ENHANCEMENT PROGRAM..................	---	---	20,806	+20,806	+20,806
PRIOR YEAR SAVINGS - FLUIDTRONICS....................	---	---	---	---	---
PRIOR YEAR SAVINGS - VEHICLE INTERCOM SYSTEM..........	---	---	---	---	---
CLASSIFIED PROGRAMS..................................	567,311	371,661	567,311	---	+195,650
TOTAL, TACTICAL PROGRAMS............................	2,974,488	2,846,439	2,902,694	-71,794	+56,255
INTELLIGENCE & COMMUNICATIONS					
TERRAIN INFORMATION - ENG DEV........................	12,921	12,921	12,921	---	---
NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT)....	7,747	7,747	7,747	---	---
SATCOM GROUND ENVIRONMENT............................	55,489	53,489	55,489	---	---
CLASSIFIED PROGRAMS..................................	26,025	19,466	25,525	-500	+6,059
TOTAL, INTELLIGENCE & COMMUNICATIONS.................	102,182	95,623	101,682	-500	+6,059
DEFENSEWIDE MISSION SUPPORT					
KWAJALEIN MISSILE RANGE..............................	157,705	157,705	157,705	---	---
KWAJALEIN MISSILE RANGE SECURITY.....................	---	---	---	---	---
UNDISTRIBUTED REDUCTION..............................	---	---	---	---	---
ARMY TEST RANGES AND FACILITIES......................	226,929	219,929	220,929	-6,000	+1,000
ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS.......	66,926	66,926	61,967	-4,959	-4,959
ARMY USER TEST INSTRUMENTATION AND THREAT SIMULATORS..	64,805	37,458	60,305	-4,500	+22,847
METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES............	23,490	23,490	23,490	---	---

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
MATERIEL SYSTEMS ANALYSIS	23,505	23,505	23,505	---	---
SUPPORT OF OPERATIONAL TESTING	70,869	70,869	64,869	-6,000	-6,000
PROGRAMWIDE ACTIVITIES	89,434	89,434	86,434	-3,000	-3,000
INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT	1,750	1,750	1,750	---	---
TECHNICAL INFORMATION ACTIVITIES	7,608	7,608	5,944	-1,664	-1,664
MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	12,699	12,699	12,699	---	---
RDT&E SUPPORT FOR NONDEVELOPMENTAL ITEMS	7,534	7,534	7,459	-75	-75
PRODUCTIVITY INVESTMENTS	19,176	19,176	19,176	---	---
REAL PROPERTY MAINTENANCE ACTIVITIES - RDT&E	175,331	173,331	173,331	-2,000	---
BASE OPERATIONS - RDT&E	198,692	195,692	195,692	-3,000	---
MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	14,753	14,753	14,753	---	---
INDUSTRIAL PREPAREDNESS	34,454	34,454	12,701	-21,753	-21,753
GUARD/RESERVE UNIQUE R&D	---	---	---	---	---
MAXI CUBE CARGO HANDLING SYSTEM	---	---	---	---	---
PRIOR YEAR AUTHORIZATION CHANGES	---	---	---	---	---
CLASSIFIED PROGRAMS	55,997	50,997	55,997	---	+5,000
TOTAL, DEFENSEWIDE MISSION SUPPORT	1,251,657	1,207,310	1,198,706	-52,951	-8,604
R&D FACILITIES CONSTRUCT TRANSFER TO MILCON	---	---	-10,296	-10,296	-10,296
R&D SUPPORT/CIVILIAN WORK YEAR GROWTH	---	---	-82,337	-82,337	-82,337
REDUCTION FOR ROBOTICS	---	---	-9,930	-9,930	-9,930
TOTAL, RESEARCH DEVELOPMENT TEST & EVAL ARMY	5,693,500	5,578,700	5,382,737	-310,763	-195,963

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

Appropriations, 1989	$9,382,312,000
Budget estimate, 1990	9,830,300,000
House allowance	9,765,454,000
Committee recommendation	9,823,627,000

The Committee recommends an appropriation of $9,823,627,000 for the Navy's research, development, test, and evaluation programs, a decrease of $6,673,000 to the budget request. The Committee recommendation is $58,173,000 above the House allowance.

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Technology base	$801,664	892,064	757,802	−43,862
Advanced technology development	188,021	231,174	189,129	+1,108
Strategic programs	416,197	422,293	471,840	+55,643
Tactical programs	6,768,858	6,591,803	6,820,366	+51,508
Intelligence and communications	863,529	894,593	887,329	+23,800
Defensewide mission support	792,031	733,527	697,161	−94,870

The budget activities and programs funded under this appropriation are discussed below.

HOUSE REDUCTIONS

The Committee concurs with the following House reductions:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Aircraft technology	22,686	21,286	21,286	−1,400
Command, control, communication technology	16,508	15,508	15,508	−1,000
Aircraft propulsion	8,359	7,359	7,359	−1,000
Air/ocean tactical applications	11,166	8,086	8,086	−3,080
T-45 training system	26,475	22,475	22,475	−4,000
Ship development	6,213	1,613	1,613	−4,600
Advanced nuclear power systems	80,176	73,561	73,561	−6,615
Submarine support equipment programs	31,379	11,234	11,234	−20,145
Laboratory fleet support	6,521	5,521	5,521	−1,000
Special projects	9,073	6,928	6,928	−2,145
Studies and analysis support, Navy	3,862	2,378	2,378	−1,484
Operational T&E capability	8,720	5,000	5,000	−3,720

CLASSIFIED PROGRAM ADJUSTMENTS

The Committee recommends the following adjustment to classified programs, as explained in the classified annex to the Committee's report:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Intelligence and communications classified programs	686,247	736,247	710,047	+23,800

OTHER ADJUSTMENTS

The Committee recommends the following adjustments—already approved by the Senate—to the budget request:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Advanced submarine system development	37,203	37,203	17,203	−20,000
Tactical information system	96,553	96,553	91,653	−4,900
Environmental protection	10,687	10,687	9,187	−1,500
RDT&E instrumentation and materiel support	30,630	27,630	29,630	−1,000
RDT&E ship and aircraft support	98,251	98,251	93,251	−5,000

COMMITTEE RECOMMENDED ADJUSTMENTS

The fiscal year 1990 budget request included several programs which contain: (a) Real growth in areas identified by the Office of the Secretary of Defense or the armed services as lower priority efforts in fiscal year 1990; (b) unjustified increases over fiscal year 1989 amounts; or (c) funds identified by the Navy as excess to fiscal year 1990 program requirements or made available through contract savings. Accordingly, the Committee recommends the following adjustments:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Antiair warfare, antisurface warfare technology	58,176	58,176	57,333	−843
Surface ship technology	14,717	14,717	13,753	−964
Systems support technology	63,593	63,593	63,008	−585
Mine and special warfare technology	16,556	16,556	15,293	−633
Submarine technology	15,334	26,334	15,025	−309
Navy logistic productivity	1,445	1,445		−1,445
NATO AAW system	20,842		17,000	−3,842
Conventional munitions	54,405	54,405	45,689	−8,716
Aircraft engine component improvement program	37,982	37,982	36,959	−1,023
Studies and analysis support—MC	2,497	2,497	1,973	−524
Center for Naval Analysis	28,678	28,678	27,558	−1,120
RDT&E laboratory and facilities management	56,153	49,153	54,012	−2,141
Defense meteorological satellite program	4,264	4,264	2,340	−1,924

ADDITIONAL MAJOR PROGRAM ADJUSTMENTS AND SPECIAL INTEREST ITEMS

The Committee recommends the following additional adjustments to the budget request, along with recommendations and observations about several special interest items:

University research initiatives.—The Committee denies the $24,275,000 requested for this program by the Navy and transfers these funds to a consolidated university research initiatives program in the "Defense agencies" account. The Committee's reasons for this recommendation are expressed in the introduction to the RDT&E section of this report. The House allowance provides the requested funds in the Navy program element.

Independent exploratory development.—This program funds discretionary exploratory development projects at the various naval laboratories. The Committee is appropriating $2,554,000 for this program element, a reduction of $13,853,000 from the budget request and the same amount below the House allowance. This reduction deletes new start efforts that duplicate many other Navy technology base projects. Even with the recommended reduction, the amount of Navy funding for independent laboratory research, as a percentage of the total technology base, will be at 3 percent, triple the percentages of technology base, funding devoted to these activities by the Army and Air Force. The $2,554,000 remaining in this program is specifically to fund the Naval Scientific Assistance Program and the Office of Naval Technology Postdoctoral Fellowship Programs.

Electromagnetic radiation source elimination [ERASE].—This program develops technologies to reduce or eliminate interference to sensitive electronics equipment from the electromagnetic radiation emitted by nearby, similar equipment. This program was restructured significantly in the revised fiscal year 1990 budget submission, with key technology efforts either being canceled or deferred. The resulting program has not been justified by the Navy. Therefore, the Committee is deleting the entire $5,014,000 that was requested. The House recommended funding the request.

Simulation and training devices.—This advanced development program is intended to devise better training equipment. The Committee, however, is denying the $4,587,000 requested, and approved in the House allowance. The Navy has provided no firm plan to transition any of the capabilities to be developed into the next stage of RDT&E, engineering development, or into any specific training systems.

Advanced technology transition.—The Committee recommends $63,770,000 for this program element. This amount is $26,789,000 below the House amount and $3,211,000 above the budget request. The increase from the budget request is due to: (a) an addition of $5,000,000 for the Navy to continue charter and support operations of the oceanographic vessel R/V *Amy Chouest*, which is engaged in important antisubmarine warfare [ASW] research activities; and (b) a $1,789,000 reduction for unjustified real growth in other areas in the advanced technology transition program. In adding funds for operations of the R/V *Amy Chouest*, the Committee directs the Navy to examine the fiscal and military implications of continuing to charter the vessel for ASW research activities after fiscal year 1990, compared with alternative methods of conducting these important efforts. The Committee expects the Navy to report the results of its examination with the submission of the fiscal year 1991 budget request.

Ship propulsion system, shipboard system component development and electric drive.—These three program elements develop improved shipboard components, including advanced propulsion and power systems. A significant proportion of the funds in the fiscal year 1990 budget request are associated with the development of technologies to support integrated electric drive systems. These technologies and systems offer the potential of developing more efficient and powerful ship propulsion and electrical distribution systems. Such systems could pave the way toward adoption of more quiet and flexible ship propulsors and new hull forms, and deployment of shipboard directed energy weapons. The Navy has recognized the benefits of electric drive technologies and the Chief of Naval Operations has recommended that these technologies be developed on a more focused, concentrated and integrated basis.

The Committee agrees with this recommendation and has merged the requested funding for these three program elements into a single integrated electric drive program for maximum management focus on the goal of getting these systems to sea at the earliest possible and prudent opportunity. Details, by program element, are:

Ship propulsion system.—Of the total $14,123,000 requested, the Committee transfers $12,000,000 to the electric drive program element and deletes $2,123,000 due to excessive real growth. The result is $3,241,000 below the House allowance.

Shipboard system component development.—Of the $12,066,000 requested, the Committee transfers the total amount to the electric drive program element. The result is $10,921,000 below the amount recommended by the House.

Electric drive.—The Committee is providing $36,064,000 for this program element, an increase of $24,066,000 to the budget request, due to the transfers described above. This recommended amount is $27,066,000 above the House allowance.

In addition, the Committee recommends that $9,800,000 in fiscal year 1989 funds appropriated for lower priority programs be reallocated to this integrated program to augment its fiscal year 1990 activities.

Tactical space operations.—The Committee approves $3,742,000 for this program, a reduction of $1,956,000 from the budget request and the same amount below the House recommendation. This program develops technologies to exploit space systems in order to increase the Navy's tactical combat capabilities. The Committee reduction deletes funds for technology development efforts associated with the costly space based wide area surveillance [SBWAS] program and reflects the concerns expressed in the introduction to the overall RDT&E section of this report.

Satellite laser communications.—The satellite laser communications [SLC] program was initiated to develop a laser communication system to provide information to submarines, virtually independent of their depth and speed. The Committee believes the

Navy has not demonstrated a commitment to this development and currently has no program to deploy such a system. As a result, the Committee is denying the total $2,001,000 fiscal year 1990 budget request and recommending termination of the program. The House recommended $28,001,000 for this program.

Trident II.—This program develops and tests the Navy's newest submarine-launched ballistic missile [SLBM], known as the Trident II, or D–5, missile. The Committee has strongly supported development of the D–5 as a cost-effective, prudent way to maintain and improve the sea-based component of the U.S. strategic nuclear deterrent forces. The SLBM force is the most survivable leg of the U.S. strategic Triad and is likely to remain so for the foreseeable future. The Committee also has been monitoring closely the ongoing D–5 flight test program, which recently suffered two major, at-sea failures. The Navy should investigate thoroughly the causes of these failures and report back to the Congress as soon as possible as to its findings and any proposed modifications to the D–5 to prevent future failures due to the same causes.

In view of the importance of the D–5, the Committee is providing $286,054,000 for this program, an increase of $70,000,000 above the budget request and $80,000,000 above the amount provided by the House. The increase is recommended to enhance the Navy's efforts to address the causes of the test failures.

Fleet ballistic missile system.—This program develops technologies to assure the continued effectiveness of already-deployed Navy strategic ballistic missiles. The Committee recommendation of $37,158,000 fully funds the fiscal year 1990 budget request for efforts related to maintaining the Poseidon/Trident I missiles which will continue to be operational for the next 8 to 12 years. The reduction of $10,400,000 to the budget request denies funds for the vulnerability and effectiveness efforts associated with the yet-to-be deployed Trident II (D–5) missile. Such efforts are premature, especially in view of the delays to the Trident II initial operational capability due to recent missile flight test failures. The Committee recommendation is $6,202,000 below the House allowance.

Advanced tactical support [ATS].—This program is a new start to fund studies and concept definition work in order to develop a single aircraft to replace several special-purpose, carrier-based fixed-wing aircraft. The future of the Navy's carrier force structure, and the number and composition of the needed air wings, remain too unsettled to begin another, ultimately expensive, replacement aircraft program. As a result, the total $999,000 requested in the budget and approved by the House is denied.

Navy advanced tactical fighter [NATF].—The Committee recommends full funding of the $64,735,000 requested for the Navy to develop a naval variant of the Air Force's advanced tactical fighter [ATF] program.

The NATF and ATF are to embody advanced technologies to provide enhanced capabilities, including supersonic cruise, reduced detectability, and increased maintainability. The NATF is intended to succeed the Navy's F–14 fleet air defense fighter.

The House Appropriations Committee denied the entire NATF and ATF budget requests and recommended terminating the programs.

For reasons explained in the ATF entry in the Air Force RDT&E section, the Committee disagrees strongly with the House recommendation.

Surface mine countermeasures.—The Committee recommends an appropriation of $2,358,000, a decrease of $11,948,000 from the Navy's budget request and the same amount below the House allowance. The recommended reduction deletes funding for three new start projects that currently have no defined operational requirements—the modular mechanical single ship deep sweep [SSDS], a modular influence minesweeping system [MIMS], and a closed loop degaussing system. In addition, funds are deleted for another project, the AN/SSN-2 phase III, which duplicates a system from the United Kingdom currently being considered for United States Navy use in the defense agencies' foreign weapons evaluation [FWE] program.

Shipboard aviation systems.—Improved carrier aircraft handling and launch/recovery systems are developed in this program element. The denial of the entire $7,836,000 budget request for this program element underscores the Committee's dissatisfaction with the Navy for ignoring past congressional guidance regarding the development of electromagnetic catapult systems. The Committee believes electromagnetic catapult systems have the potential to launch current Navy conventional take-off and landing aircraft while reducing the use of shipboard weight, space, and power now required for conventional steam catapults. If this potential is realized, other needs could be met (for example, increased storage space for weapons, stores, and aviation fuel to increase carrier endurance and warfighting capabilities). The Committee recommendation is $7,836,000 below the House allowance.

V-22A.—This program element provides funds for the development of the Marine Corps tilt-rotor aircraft for increased amphibious assault capabilities. The Committee recommendation of $255,000,000 above the budget request continues V-22A development and adds funds for enhanced engine development efforts. The recommendation is $96,000,000 below the House allowance.

Bomb fuze improvement.—This program is a new start to begin development of an advanced bomb family of conventional, air-delivered ordnance. The entire $19,000,000 budget request is denied because the Navy has failed to provide detailed justification for this program. The Committee reserves judgment on the cost-effectiveness and military-effectiveness of the proposed systems. The Committee recommendation is $19,000,000 below the amount provided by the House.

Advanced ASW target.—Targets for antisubmarine warfare [ASW] training are developed under this program element. The Committee recommendation of $26,807,000 is $1,500,000 above the Navy's budget request and $8,500,000 below the House allowance. The additional $1,500,000 is required to complete development necessary to support fiscal year 1990 procurement of the expendable mobile ASW training target [EMATT], an open-ocean target for use by air and surface naval units.

F/A-18 squadrons.—This program develops technologies to improve the fleet air defense and ground attack capabilities of the Navy/Marines Corps F/A-18 aircraft. The fiscal year 1989 appropriations act conference report required submittal of a detailed justification of the cost-effectiveness and military-effectiveness of the F/A-18 upgrades and their reconciliation with other Navy and Air Force tactical aircraft programs, such as the advanced tactical aircraft (A-12) and the advanced tactical fighter. In view of the Department of Defense's failure to comply with this requirement, the Committee is deleting the entire $50,644,000 requested in fiscal year 1990 for these upgrades. The House allowance for this program is $50,644,000.

Sea-based electronic warfare squadrons.—The Committee has been informed that the Navy is assessing improvements to the existing electronic warfare capability of the EA-6B aircraft. Among those improvements, the Committee directs the Navy to assess the technical and cost feasibility of incorporating, into the EA-6B, the ALT-40 band 9/10 transmitter currently under development in the Air Force.

In addition, the Committee understands that there may be a shortfall of $3,000,000 in this program element related to the J52-P-409 engine upgrade development program. The Committee expects this shortfall will be financed through a below threshhold reprogramming. The Committee would appreciate being informed as to the source of the funds prior to proceeding with this action.

Marine Corps ground combat/supporting arms systems.—Improvements to Marine Corps combat vehicles and weapons are funded in this program element. The Navy's descriptive summary for the fiscal year 1990 budget request indicates prototype development for the air defense variant of the light armored vehicle, the LAV-AD, had been delayed 6 months since the fiscal year 1989 budget request, and that the fiscal year 1990 request included $11,911,000 to accommodate the schedule slip. Subsequent data from the Marine Corps indicated that the fiscal year 1990 impact of the schedule slip was only $2,178,000 and that $9,733,000 was for projected contractual cost growth. This projected cost growth has not been adequately justified by the Marine Corps. As a result, Committee recommendation of $42,951,000 deletes the $9,733,000 from the budget request. The Committee's recommendation is $8,438,000 below the House recommended amount.

Force enhancements-active.—This program develops technologies and systems to enhance the capabilities of the Navy's Special Operations Forces, known as the sea-air-land [SEAL] teams. The Committee supports cost-effective enhancements to such capabilities and understands that opportunities exist to avoid costly RDT&E programs in this area by obtaining already-developed systems. The recommended funding defers initiation of development of an expensive advanced seal delivery system to permit the evaluation of an already-existing alternative system which has a strong potential to meet Navy requirements. The Committee understands this evaluation is expected to be initiated in the near future with fiscal year 1989 funds provided in another program element in the defense budget. Accordingly, the Committee is providing $35,969,000 for this program element, an amount which is $12,700,000 below the Navy's request and the the House allowance.

Target systems development.—This program element provides funds for development of aerial and surface targets, representative of threat systems, to support weapon systems test and evaluation and fleet training. The Committee shares the concerns of the House about the development progress of one of these target programs, the supersonic low altitude target [SLAT]. This program was initiated in fiscal year 1984. A contractor flight test program, requiring five successful flights, began in November 1987. From November 1987 through January 1989, six flight tests were conducted with only one success. The Committee has been informed that some of these failures were caused by problems with SLAT and some were caused by test range problems. In order to assess these problems, the Navy suspended the flight test program in early 1989, acknowledging a slip in the initial operating capability [IOC] from fiscal year 1990 to fiscal year 1993.

The Committee is aware that the Navy is planning to restructure the SLAT program. This restructuring reportedly will address: schedule and funding impacts of technical and program changes; affordability, recognizing the impact of program delays and the loss of firm fixed price contract options; the number of SLAT targets required; and, alternatives to SLAT. However, to date, the Navy has been unable to outline the details of this restructured program to the Committee.

As a result, the Committee is recommending $62,522,000 of the $92,208,000 requested for this program element. This reduction of $29,686,000 is taken entirely from the $56,986,000 requested for SLAT. The remaining $27,300,000 in SLAT funds are recommended for continuation of a restructured SLAT program—or for a program to develop an alternative to SLAT. The Committee disagrees at this time with the House recommendation to terminate all SLAT-related efforts. The Committee directs that these remaining SLAT funds not be obligated or expended until the Committee is fully informed as to the content of the restructured program. The House allowance provides $43,908,000 for this program element.

Cost research.—The Committee denies the full $996,000 requested by the Navy and provided by the House for research into ways to obtain cost savings and more accurate, acquisition program cost estimates. This program element duplicates other efforts within the Navy and the Department of Defense. In addition, the Committee questions the Navy's intentions to contract out to the private sector for this research, since independent cost estimating capabilities already exist in-house in each of the services and the Office of the Secretary of Defense.

Joint robotics program.—Due to the concerns addressed in the RDT&E introduction, the Committee recommends a reduction of $3,110,000 to the Navy's fiscal year 1990 RDT&E account because of the service's inability to identify which program elements provide funding for the robotics projects listed below:

Remotely controlled reconn monitor [RECORM]	−$600,000
Robotics ordnance neutralizing device [ROND]	−1,020,000
Distributed reasoning and planning	−200,000
Machine learning for flexible robotics	−140,000
ONR basic research for advanced manipulators	−1,000,000
ONR basic research for autonomous mobile robots	−150

The Navy is directed to eliminate these funds from the specific program elements involved and identify them to the Committee on Appropriations.

International RDT&E.—The Committee recommends $3,248,000 for this program element which provides funding to support a variety of cooperative naval research and development programs with allied nations. The recommendation, a decrease of $4,298,000 from the budget request and the House allowance, is based on unjustified real growth from the level provided in fiscal year 1989. The Committee directs that none of this reduction can be assessed against the NATO Undersea Research Centre, La Spezia, Italy.

Test and evaluation support.—The Committee recommends $317,299,000 for this program element. This amount is $29,614,000 below the budget request and $24,614,000 below the House allowance. This reduction from the budget request is due to: (a) a reduction of $18,614,000 to be transferred to another program element for a higher priority Navy program-the supersonic low altitude target [SLAT]; and (b) a reduction of $11,000,000 for unjustified real growth in test and evaluation support activities. The Committee directs that none of this $29,614,000 reduction be assessed against the Naval Air Propulsion Center or the Naval Air Test Center.

Industrial preparedness.—The Committee recommends fully funding the $40,499,000 budget request for the Navy's manufacturing technology program. This program is intended to develop more efficient and less expensive processes to produce components, subsystems, and systems for Navy platforms. Of the amount provided, the Committee directs that $2,893,120 shall be available solely for establishing a center of excellence for advanced flexible manufacturing systems. The Committee understands that such a center could serve as a national demonstration project, teaching factory and model for the development and transfer of new manufacturing technologies in support of Navy and other Department of Defense needs. The Navy is urged to carefully review the merits of establishing such a center with the funds provided. The Committee also directs the Navy to provide $5,000,000 from the recommended funds to permit the contract for establishment of a center of excellence for composites manufacturing technology to be awarded, on a competitive basis, no later than the end of the second quarter of fiscal year 1990. The recommended appropriation is $10,000,000 below the House allowance.

RDT&E-related military construction.—Building construction and repairs at Navy installations associated with RDT&E are funded in both the RDT&E and "Military Construction" appropriations accounts. The Committee has reduced the Navy RDT&E account by $23,753,000 since these funds will be provided in the "Military Construction" account.

Fast sealift technology development.—The Committee repeatedly heard from witnesses about shortfalls in the United States' capability to transport rapidly overseas the personnel, equipment, and supplies needed to defend against conventional attacks in NATO Europe. The potential exists to address part of this shortfall through the development of enhanced fast sealift technologies. The Committee understands that the investigation of key technologies may be accomplished within a 24-month program and that

$15,000,000 in fiscal year 1990 is sufficient to fund the first half of that effort. The Committee intends that this 2-year, in-house program develop sufficient information to allow informed decisions on whether to proceed into prototype development. The Committee expects that the technology investigation program will focus on conventional monohull, semiplaning monohull, surface effects ship, and other innovative hull and propulsion concepts. The program should also assess the relative military-effectiveness, cost-effectiveness, and affordability of each of these fast sealift enhancement options. Finally, recommendations should be provided to the Congress about which, if any, of these technologies should be continued into prototype development, along with a specific program and 5-year funding profile.

Use of prior year (fiscal year 1989) funds.—The Committee has identified $26,000,000 of funds appropriated for fiscal year 1989 as available for reallocation to fiscal year 1990 uses. The Committee believes that the programs for which these funds were appropriated are of much lesser priority due to lack of a strong Navy commitment to deploy systems embodying the technologies being developed. The Committee recommends that the following amounts be reallocated: (a) $22,000,000 from the submarine laser communications program—terminating that effort—since the Navy has redirected the effort away from the original purposes for which funds were appropriated; and (b) $4,000,000 from terminating the development of the AN/WLQ-( ) electronic support measures system developed under the submarine support equipment program, because the Navy has indicated it is a low priority.

The Committee believes that these additional funds should be applied to the Navy's highest priority warfighting and research category—antisubmarine warfare—and to the integrated electric drive program and its associated cluster of technologies. The Chief of Naval Operations has stated that integrated electric drive is "both the way of the present and of the future for naval ship propulsion and power." Therefore, these funds are reallocated as follows: (a) $13,000,000 to the advanced antisubmarine warfare technology program for the classified DMP project; (b) $3,000,000 to be allocated for tactical oceanography research applicable to antisubmarine warfare; and (c) $10,000,000 to the integrated electric drive program for development of advanced ship propulsion and power systems.

House actions not agreed to.—The Committee disagrees with the following recommendations contained in the House allowance:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
ASW technology	95,686	129,486	95,686	
Undistributed technology base		48,000		
Advanced aircraft subsystems	9,286	5,902	9,286	
Generic logistics R&D technology	20,975	5,694	20,975	
Advanced ASW technology	4,603	38,303	4,603	
Countermine laser		8,500		
Plume characterization		4,500		
Trident	38,389	33,483	38,389	

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Aviation life support system advanced development	8,777	12,515	8,777	
Skipper enhancements		20,000		
Advanced air-to-air missile [AAAM]	72,651	120,000	72,651	
Surface ship torpedo defense	51,515	39,743	51,515	
Submarine arctic warfare system equipment	2,902	2,702	2,902	
Nonacoustic ASW	15,994	8,000	15,994	
Retract juniper	54,721	53,424	54,721	
LINK SAKI	8,700		8,700	
Surface ASW	53,885	52,885	53,885	
Joint advanced system	191,160		191,160	
Mine development	4,345	21,772	4,345	
Chalk coral	19,450	9,450	19,450	
Retract elm	77,999	67,999	77,999	
LAMPS	7,274	3,174	7,274	
ASW environmental acoustic support	16,816	31,816	16,816	
Helicopter development	69,295	18,295	69,295	
AV-8B aircraft engine development	28,110	38,110	28,110	
Support equipment	63,071	55,892	63,071	
Airborne ASW developments	8,105		8,105	
P-3 modification program	357,147	345,134	357,147	
Acoustic search sensors	49,833	10,533	49,833	
EW development	140,272	135,082	140,272	
MK-92 fire control system upgrade	3,000		3,000	
Aegis area air defense	12,221	9,154	12,221	
Aegis combat—system engineering	54,975	24,275	54,975	
Air-to-air missile system engineering	32,151	24,012	32,151	
Submarine sonar development	27,179	7,179	27,179	
Navy standard signal processors	28,215	24,428	28,215	
Submarine combat system	361,138	347,138	361,138	
SSN-21 development	191,669	187,669	191,669	
Submarine tactical warfare system	77,341	72,341	77,341	
MK-50 torpedo	63,638	46,838	63,638	
Surface ASW system improvement	69,142	99,142	69,142	
Marine Corps command/control/communication system	26,074	28,074	26,074	
Joint standoff weapon system	13,113		13,113	
Undersea surveillance system	40,869	34,569	40,869	
F-14 upgrade	169,351	107,300	169,351	
Torpedo detection processor		15,000		
Tactical programs—classified	1,555,688	1,545,688	1,555,688	
Warfare support system	33,994	21,228	33,994	
Tactical command system	47,475	41,305	47,475	

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
RESEARCH DEVELOPMENT TEST & EVAL NAVY					
TECHNOLOGY BASE					
UNIVERSITY RESEARCH INITIATIVES........................	24,275	24,275	---	-24,275	-24,275
IN-HOUSE INDEPENDENT LABORATORY RESEARCH..............	24,426	24,426	24,426	---	---
DEFENSE RESEARCH SCIENCES.............................	341,651	341,651	341,651	---	---
ANTI-AIR WARFARE/ANTI-SURFACE WARFARE TECHNOLOGY......	58,176	58,176	57,333	-843	-843
SURFACE SHIP TECHNOLOGY...............................	14,717	14,717	13,753	-964	-964
AIRCRAFT TECHNOLOGY...................................	22,686	21,286	21,286	-1,400	---
MARINE CORPS LANDING FORCE TECHNOLOGY.................	16,374	16,374	16,374	---	---
COMMAND, CONTROL, AND COMMUNICATIONS TECHNOLOGY.......	16,508	15,508	15,508	-1,000	---
MISSION SUPPORT TECHNOLOGY............................	31,781	31,781	31,781	---	---
SYSTEMS SUPPORT TECHNOLOGY............................	63,593	63,593	63,008	-585	-585
ASW TECHNOLOGY..	95,686	129,486	95,686	---	-33,800
MINE AND SPECIAL WARFARE TECHNOLOGY...................	16,556	16,556	15,923	-633	-633
SUBMARINE TECHNOLOGY..................................	15,334	26,334	15,025	-309	-11,309
NUCLEAR PROPULSION....................................	14,036	14,036	14,036	---	---
OCEAN AND ATMOSPHERIC SUPPORT TECHNOLOGY..............	29,458	29,458	29,458	---	---
INDEPENDENT EXPLORATORY DEVELOPMENT...................	16,407	16,407	2,554	-13,853	-13,853
UNDISTRIBUTED (AUTH. LEVEL)...........................	---	48,000	---	---	-48,000
TOTAL, TECHNOLOGY BASE................................	801,664	892,064	757,802	-43,862	-134,262
ADVANCE TECHNOLOGY DEVELOPMENT					
AIRCRAFT PROPULSION...................................	8,359	7,359	7,359	-1,000	---
ADVANCED AIRCRAFT SUBSYSTEMS..........................	9,286	5,902	9,286	---	+3,384
EW TECHNOLOGY...	12,830	12,830	12,830	---	---
ELECTROMAGNETIC RADIATION SOURCE ELIMINATION TECHNOLOG	5,014	5,014	---	-5,014	-5,014
SHIP PROPULSION SYSTEM................................	14,123	3,241	---	-14,123	-3,241
ELECTRIC DRIVE..	11,998	8,998	36,064	+24,066	+27,066
HUMAN FACTORS ENGINEERING.............................	2,541	2,541	2,541	---	---
MEDICAL DEVELOPMENT...................................	17,536	17,536	17,536	---	---
MANPOWER AND PERSONNEL SYSTEMS........................	3,113	3,113	3,113	---	---
GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS.......	20,975	5,694	20,975	---	+15,281
EDUCATION AND TRAINING................................	5,374	5,374	5,374	---	---
MARINE CORPS ADVANCED MANPOWER/TRAINING SYSTEMS.......	4,078	4,078	4,078	---	---
SIMULATION AND TRAINING DEVICES.......................	4,587	4,587	---	-4,587	-4,587
NAVY LOGISTIC PRODUCTIVITY............................	1,445	1,445	---	-1,445	-1,445
ADVANCED ANTI-SUBMARINE WARFARE TECHNOLOGY............	4,603	38,303	4,603	---	-33,700
ADVANCED TECHNOLOGY TRANSITION........................	60,559	90,559	63,770	+3,211	-26,789
ADVANCED SPECIAL OPERATIONS, R,D & A..................	1,600	1,600	1,600	---	---
COUNTERMINE LASER.....................................	---	8,500	---	---	-8,500
PLUME CHARACTERIZATION................................	---	4,500	---	---	-4,500
TOTAL, ADVANCE TECHNOLOGY DEVELOPMENT.................	188,021	231,174	189,129	+1,108	-42,045
STRATEGIC PROGRAMS					
ANTI-SATELLITE SYSTEM (ASAT)..........................	---	---	---	---	---
TACTICAL SPACE OPERATIONS.............................	5,698	5,698	3,742	-1,956	-1,956
SSBN SURVIVABILITY....................................	11,918	11,918	11,918	---	---
WWMCCS ARCHITECTURE SUPPORT...........................	6,881	6,881	6,881	---	---
SATELLITE LASER COMMUNICATIONS........................	2,001	28,001	---	-2,001	-28,001
TRIDENT II..	216,054	205,254	286,054	+70,000	+80,800
STRATEGIC TECHNICAL SUPPORT...........................	6,234	6,234	6,234	---	---
FLEET BALLISTIC MISSILE SYSTEM........................	47,558	43,360	37,158	-10,400	-6,202
SSBN SECURITY TECHNOLOGY PROGRAM......................	41,994	41,994	41,994	---	---
TRIDENT...	38,389	33,483	38,389	---	+4,906
EXTREMELY LOW FREQUENCY (ELF) COMMUNICATIONS..........	100	100	100	---	---
NAVY STRATEGIC COMMUNICATIONS.........................	31,284	31,284	31,284	---	---
NAVAL SPACE SURVEILLANCE..............................	755	755	755	---	---

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Senate compared to—	
				Budget estimate	House allowance
	(1)	(2)	(3)	(4)	(5)
MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (ME	1,305	1,305	1,305	—	—
WORLD-WIDE MILITARY COMMAND AND CONTROL SYSTEMS, INFOR	6,026	6,026	6,026	—	—
TOTAL, STRATEGIC PROGRAMS..........................	416,197	422,293	471,840	+55,643	+49,547
TACTICAL PROGRAMS					
INTEGRATED AIRCRAFT AVIONICS..........................	3,312	3,312	3,312	—	—
AIR/OCEAN TACTICAL APPLICATIONS.......................	11,166	8,086	8,086	-3,080	—
T-45 TRAINING SYSTEM..................................	26,475	22,475	22,475	-4,000	—
AVIATION LIFE SUPPORT SYSTEMS - ADV DEV...............	8,777	12,515	8,777	—	-3,738
ADVANCED TACTICAL SUPPORT (ATS).......................	999	999	—	-999	-999
SKIPPER ENHANCEMENTS..................................	—	20,000	—	—	-20,000
CV ASW MODULE...	3,505	3,505	3,505	—	—
NAVY ADVANCED TACTICAL FIGHTER........................	64,735	—	64,735	—	+64,735
AIR ASW...	11,035	11,035	11,035	—	—
V-22A...	—	—	—	—	—
AIRBORNE MINE COUNTERMEASURES.........................	13,027	13,027	13,027	—	—
TACTICAL AIRBORNE RECONNAISSANCE......................	24,225	24,225	24,225	—	—
AIRCRAFT SURVIVABILITY AND VULNERABILITY..............	9,141	9,141	9,141	—	—
ADVANCED A/L AIR-TO-SURFACE MISSILE SYSTEM............	—	—	—	—	—
ADVANCED SURFACE-TO-AIR MISSILE.......................	91,052	91,052	91,052	—	—
NATO AAW SYSTEMS......................................	20,842	—	17,000	-3,842	+17,000
LOW COST ANTI-RADIATION SEEKER........................	12,026	12,026	12,026	—	—
ADVANCED AIR-TO-AIR MISSILE (AAAM)....................	72,651	120,000	72,651	—	-47,349
SURFACE SHIP POINT DEFENSE INTEGRATION................	—	—	—	—	—
BATTLE GROUP AAW COORDINATION.........................	9,491	9,491	9,491	—	—
SURFACE MINE COUNTERMEASURES..........................	14,306	14,306	2,358	-11,948	-11,948
ADVANCED SUBMARINE ASW DEVELOPMENT....................	16,322	16,322	16,322	—	—
SURFACE SHIP TORPEDO DEFENSE..........................	51,515	39,743	51,515	—	+11,772
SHIPBOARD AVIATION SYSTEMS............................	7,836	7,836	—	-7,836	-7,836
SHIPBOARD SYSTEM COMPONENT DEVELOPMENT................	12,066	10,921	—	-12,066	-10,921
SHIP COMBAT SURVIVABILITY.............................	32,120	32,120	32,120	—	—
SUBMARINE ARCTIC WARFARE SUPPORT EQUIPMENT PROGRAM....	2,902	2,702	2,902	—	+200
PILOT FISH..	60,393	60,393	60,393	—	—
NON-ACOUSTIC ANTI-SUBMARINE WARFARE (ASW).............	15,994	8,000	15,994	—	+7,994
ADVANCED ASW TARGET...................................	25,307	35,307	26,807	+1,500	-8,500
RETRACT JUNIPER.......................................	54,721	53,424	54,721	—	+1,297
RADIOLOGICAL CONTROL..................................	3,899	3,899	3,899	—	—
LINK SAKI...	8,700	—	8,700	—	+8,700
SURFACE ASW...	53,855	52,855	53,855	—	+1,000
ADVANCED SUBMARINE SYSTEM DEVELOPMENT.................	37,203	37,203	17,203	-20,000	-20,000
SUBMARINE TACTICAL WARFARE SYSTEMS....................	7,403	7,403	7,403	—	—
SHIP DEVELOPMENT......................................	6,213	1,613	1,613	-4,600	—
ATTACK SUBMARINE DEVELOPMENT..........................	—	—	—	—	—
ADVANCED NUCLEAR POWER SYSTEMS........................	80,176	73,561	73,561	-6,615	—
CHALK EAGLE...	113,959	113,959	113,959	—	—
COMBAT SYSTEM INTEGRATION.............................	8,909	8,989	8,989	—	—
JOINT ADVANCED SYSTEMS................................	191,160	—	191,160	—	+191,160
MINE DEVELOPMENT......................................	4,345	21,772	4,345	—	-17,427
CONVENTIONAL MUNITIONS................................	54,405	54,405	45,689	-8,716	-8,716
ADVANCED WARHEAD DEVELOPMENT..........................	4,720	4,720	4,720	—	—
MARINE CORPS ASSAULT VEHICLES.........................	16,167	16,167	16,167	—	—
MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV...	9,592	9,592	9,592	—	—
TACTICAL NUCLEAR DEVELOPMENT..........................	15,026	15,026	15,026	—	—
MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM.............	6,562	6,562	6,562	—	—
JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT..........	9,524	9,524	9,524	—	—
MK 48 ADCAP - ADV DEV.................................	44,902	44,902	44,902	—	—
OCEAN ENGINEERING SYSTEMS DEVELOPMENT.................	2,185	2,185	2,185	—	—
ASW OCEANOGRAPHY......................................	9,408	9,408	9,408	—	—
ASW SIGNAL PROCESSING.................................	19,583	19,583	19,583	—	—
ADVANCED MARINE BIOLOGICAL SYSTEM.....................	5,715	5,715	5,715	—	—
FLEET TACTICAL DEVELOPMENT AND EVALUATION PROGRAM.....	6,161	6,161	6,161	—	—
OCEAN ENGINEERING TECHNOLOGY DEVELOPMENTS.............	14,729	14,729	14,729	—	—

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
COMMAND AND CONTROL SYSTEMS	28,376	28,376	28,376	---	---
NAVY ENERGY PROGRAM	7,007	7,007	7,007	---	---
FACILITIES IMPROVEMENT	---	---	---	---	---
MARINE CORPS COMBAT SERVICES SUPPORT	2,038	2,038	2,038	---	---
CHALK CORAL	19,450	9,450	19,450	---	+10,000
LINK HAZEL	1,096	1,096	1,096	---	---
LINK LAUREL	116,743	116,743	116,743	---	---
RETRACT MAPLE	149,954	149,954	149,954	---	---
LINK PLUMERIA	6,340	6,340	6,340	---	---
CHALK WEED	9,238	9,238	9,238	---	---
RETRACT ELM	77,999	67,999	77,999	---	+10,000
WARFARE SYSTEMS ARCHITECTURE AND ENGINEERING	6,783	6,783	6,783	---	---
FIXED DISTRIBUTED SYSTEMS - ADV	---	---	---	---	---
ANTI-SUBMARINE WARFARE ENVIRONMENTAL ACOUSTIC SUPPORT	16,816	31,816	16,816	---	-15,000
SPECIAL PROCESSES	35,498	35,498	35,498	---	---
STANDARD AVIONICS DEVELOPMENT	15,841	15,841	15,841	---	---
IFF SYSTEM DEVELOPMENT	26,337	26,337	26,337	---	---
LAMPS	7,274	3,174	7,274	---	+4,100
HELICOPTER DEVELOPMENT	69,295	18,295	69,295	---	+51,000
AV-8B AIRCRAFT - ENG DEV	28,110	38,110	28,110	---	-10,000
SUPPORT EQUIPMENT	63,071	55,892	63,071	---	+7,179
AIR/OCEAN EQUIPMENT ENGINEERING	2,467	2,467	2,467	---	---
AIRBORNE ASW DEVELOPMENTS	8,105	---	8,105	---	+8,105
P-3 MODERNIZATION PROGRAM	357,147	345,134	357,147	---	+12,013
C/MH-53E	8,102	8,102	8,102	---	---
ACOUSTIC SEARCH SENSORS	49,833	10,533	49,833	---	+39,300
V-22A	---	351,000	255,000	+255,000	-96,000
AVIATION LIFE SUPPORT SYSTEMS - ENG DEV	21,654	21,654	21,654	---	---
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	37,982	37,982	36,959	-1,023	-1,023
EW DEVELOPMENT	140,272	135,082	140,272	---	+5,190
MK 92 FIRE CONTROL SYSTEM UPGRADE	3,000	---	3,000	---	+3,000
AEGIS AREA AIR DEFENSE	12,221	9,154	12,221	---	+3,067
AEGIS COMBAT SYSTEM ENGINEERING	54,975	24,275	54,975	---	+30,700
SEA LANCE	127,832	127,832	127,832	---	---
ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE	7,146	7,146	7,146	---	---
AIR-TO-AIR MISSILE SYSTEMS ENGINEERING	32,151	24,012	32,151	---	+8,139
VERTICAL LAUNCH ASROC	---	---	---	---	---
CLOSE-IN WEAPON SYSTEM (PHALANX)	2,931	2,931	2,931	---	---
NATO SEA SPARROW	4,895	4,895	4,895	---	---
STANDARD MISSILE IMPROVEMENTS	66,274	66,274	66,274	---	---
TOMAHAWK	18,143	18,143	18,143	---	---
S'ROLLING AIR FRAME MISSILE	5,261	5,261	5,261	---	---
SSN-688 CLASS VERTICAL LAUNCH SYSTEM	8,954	8,954	8,954	---	---
NEW THREAT UPGRADE	7,392	7,392	7,392	---	---
SUBMARINE COMMUNICATIONS	7,360	7,360	7,360	---	---
SUBMARINE SONAR DEVELOPMENT	27,179	7,179	27,179	---	+20,000
AIR CONTROL	19,146	19,146	19,146	---	---
CHEMICAL WARFARE COUNTERMEASURES	7,511	7,511	7,511	---	---
NAVY STANDARD SIGNAL PROCESSORS	28,215	24,428	28,215	---	+3,787
RADAR SURVEILLANCE EQUIPMENT	6,002	6,002	6,002	---	---
SUBMARINE SUPPORT EQUIPMENT PROGRAM	31,379	11,234	11,234	-20,145	---
SHIP SURVIVABILITY	6,984	6,984	6,984	---	---
COMBAT INFORMATION CENTER CONVERSION	24,354	24,354	24,354	---	---
SUBMARINE COMBAT SYSTEM	361,138	347,138	361,138	---	+14,000
SSN-21 DEVELOPMENTS	191,669	187,669	191,669	---	+4,000
SUBMARINE TACTICAL WARFARE SYSTEM	77,341	72,341	77,341	---	+5,000
SHIP SUBSYSTEM DEVELOPMENT/LAND BASED TEST SITE	52,693	52,693	52,693	---	---
STANDARD EMBEDDED COMPUTER RESOURCES	29,178	29,178	29,178	---	---
AN/SQS-53C	---	---	---	---	---
LINK BIRCH	2,498	2,498	2,498	---	---
MINE DEVELOPMENT	11,663	11,663	11,663	---	---
NAVAL GUNNERY IMPROVEMENTS	13,875	13,875	13,875	---	---
UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	11,810	11,810	11,810	---	---
SURFACE ELECTRO-OPTIC SYSTEM	17,030	17,030	17,030	---	---
BOMB FUZE IMPROVEMENT	19,000	19,000	---	-19,000	-19,000

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
MK 50 TORPEDO	63,638	46,838	63,638	—	+16,800
MARINE CORPS MINE COUNTERMEASURES SYSTEMS - ENG DEV	27,055	27,055	27,055	—	—
JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	5,706	5,706	5,706	—	—
MARINE CORPS ASSAULT VEHICLES	19,500	19,500	19,500	—	—
MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEM - EN	199	199	199	—	—
ANTI-SUBMARINE WARFARE OCEANOGRAPHIC EQUIPMENT	1,265	1,265	1,265	—	—
OVER-THE-HORIZON TARGETING	3,221	3,221	3,221	—	—
INITIAL TRAINER ACQUISITION	—	—	—	—	—
NAVY ENERGY PROGRAM	3,311	3,311	3,311	—	—
SURFACE ASW SYSTEM IMPROVEMENT	69,142	99,142	69,142	—	-30,000
SURFACE WARFARE TRAINING DEVICES	17,687	17,687	17,687	—	—
MARINE CORPS COMBAT SERVICES SUPPORT	2,254	2,254	2,254	—	—
MARINE CORPS INTELLIGENCE/ELECTRONICS WARFARE SYSTEM	999	999	999	—	—
MARINE CORPS COMMAND/CONTROL/COMMUNICATIONS SYSTEMS	26,074	28,074	26,074	—	-2,000
JOINT STANDOFF WEAPON SYSTEMS	13,113	—	13,113	—	+13,113
INTELLIGENCE	1,835	1,835	1,835	—	—
MEDICAL DEVELOPMENTS	4,284	4,284	4,284	—	—
SOLDIER/MARINE ENHANCEMENT PROGRAM (MC)	—	—	—	—	—
JINTACCS MARINE CORPS	2,019	2,019	2,019	—	—
FIXED DISTRIBUTED SYSTEMS - ENG	160,157	160,157	160,157	—	—
FLEET TACTICAL DEVELOPMENT AND EVALUATION	14,651	14,651	14,651	—	—
ELECTROMAGNETIC SPECTRUM MANAGEMENT	3,438	3,438	3,438	—	—
MANAGEMENT AND TECHNICAL SUPPORT	9,184	9,184	9,184	—	—
C2 SURVEILLANCE/RECONNAISSANCE SUPPORT	9,450	9,450	9,450	—	—
A-6 SQUADRONS	23,215	23,215	23,215	—	—
A-6 PRIOR YEAR SAVINGS	—	—	—	—	—
F/A-18 SQUADRONS	50,644	50,644	—	-50,644	-50,644
EARLY WARNING AIRCRAFT SQUADRONS	38,932	38,932	38,932	—	—
SEA-BASED ELECTRONIC WARFARE SQUADRONS	10,019	10,019	10,019	—	—
FLEET TELECOMMUNICATIONS (TACTICAL)	9,276	9,276	9,276	—	—
SURFACE COMBATANT ORDNANCE AND MISSILES	42,252	42,252	42,252	—	—
UNDERSEA SURVEILLANCE SYSTEMS	40,869	34,569	40,869	—	+6,300
SHIP-TOWED ARRAY SURVEILLANCE SYSTEMS	5,546	5,546	5,546	—	—
SPECIAL PROJECTS	9,073	6,928	6,928	-2,145	—
HARM IMPROVEMENT	5,096	5,096	5,096	—	—
TACTICAL INFORMATION SYSTEM	96,553	96,553	91,653	-4,900	-4,900
ASW COMBAT SYSTEMS INTEGRATION	16,159	16,159	16,159	—	—
AIRCRAFT EQUIPMENT RELIABILITY/MAINTAINABILITY PROGRAM	1,004	1,004	1,004	—	—
LABORATORY FLEET SUPPORT	6,521	5,521	5,521	-1,000	—
F-14 UPGRADE	169,351	107,300	169,351	—	+62,051
TACTICAL INTELLIGENCE PROCESSING	4,314	4,314	4,314	—	—
OPERATIONAL REACTOR DEVELOPMENT	53,562	53,562	53,562	—	—
MARINE CORPS TELECOMMUNICATIONS	6,138	6,138	6,138	—	—
MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	52,684	51,389	42,951	-9,733	-8,438
MARINE CORPS COMBAT SERVICES SUPPORT	2,784	2,784	2,784	—	—
MARINE CORPS INTELLIGENCE/ELECTRONICS WARFARE SYSTEMS	26,454	26,454	26,454	—	—
MARINE CORPS COMMAND/CONTROL/COMMUNICATIONS SYSTEMS	14,651	14,651	14,651	—	—
TACIT RAINBOW	—	—	—	—	—
JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC)	392	392	392	—	—
FORCE ENHANCEMENTS-ACTIVE	48,669	48,669	35,969	-12,700	-12,700
ATF - ADV TACTICAL FIGHTER	—	—	—	—	—
NAVY OCEANOGRAPHY PROGRAM	—	—	—	—	—
MEDIUM DEPTH MINE	—	—	—	—	—
TORPEDO DETECTION PROCESSOR	—	15,000	—	—	-15,000
USQ - 95 RADAR ENVIRONMENT SIMULATOR	—	—	—	—	—
OCEANOGRAPHIC & METEOR INSTRUMENTATION	—	—	—	—	—
CLASSIFIED PROGRAMS	1,555,688	1,545,688	1,555,688	—	+10,000
TOTAL, TACTICAL PROGRAMS	6,768,858	6,591,803	6,820,366	+51,508	+228,563
INTELLIGENCE & COMMUNICATIONS					
INTEGRATED PLATFORM COMMUNICATIONS DEVELOPMENT	—	—	—	—	—
WARFARE SUPPORT SYSTEM	33,994	21,228	33,994	—	+12,766

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
TACTICAL COMMAND SYSTEM	47,475	41,305	47,475	—	+6,170
NAVIGATION SYSTEMS	5,700	5,700	5,700	—	—
EHF SATCOM	22,268	22,268	22,268	—	—
NAVSTAR GPS	43,821	43,821	43,821	—	—
NAVY COMMAND AND CONTROL	3,147	3,147	3,147	—	—
SATELLITE COMMUNICATIONS	15,876	15,876	15,876	—	—
MILSTAR SATELLITE COMMUNICATIONS SYSTEM	5,001	5,001	5,001	—	—
CLASSIFIED PROGRAMS	686,247	736,247	710,047	+23,800	-26,200
TOTAL, INTELLIGENCE & COMMUNICATIONS	863,529	894,593	887,329	+23,800	-7,264
DEFENSEWIDE MISSION SUPPORT					
ENVIRONMENTAL PROTECTION	10,687	10,687	9,187	-1,500	-1,500
RANGE INSTRUMENTATION SYSTEMS DEVELOPMENT (RISD)	9,105	9,105	9,105	—	—
ELECTRONIC WARFARE SIMULATOR DEVELOPMENT	38,276	38,276	38,276	—	—
TARGET SYSTEMS DEVELOPMENT	92,208	43,908	62,522	-29,686	+18,614
PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	1,021	1,021	1,021	—	—
COST RESEARCH	996	996	—	-996	-996
STUDIES AND ANALYSIS SUPPORT - MC	2,497	2,497	1,973	-524	-524
STUDIES AND ANALYSIS SUPPORT - NAVY	3,862	2,378	2,378	-1,484	—
MARINE CORPS OPERATIONS ANALYSIS GROUP, CNA	4,796	4,796	4,796	—	—
CENTER FOR NAVAL ANALYSES	28,678	28,678	27,558	-1,120	-1,120
FLEET TACTICAL DEVELOPMENT AND EVALUATION	—	—	—	—	—
MARINE CORPS OPERATIONAL TEST AND EVALUATION	1,359	1,359	1,359	—	—
TECHNICAL INFORMATION SERVICES	2,630	2,630	2,630	—	—
MARINE CORPS DEVELOPMENT CENTER SUPPORT	—	—	—	—	—
INTERNATIONAL RDT&E	7,546	7,546	3,248	-4,298	-4,298
RDT&E LABORATORY AND FACILITIES MANAGEMENT SUPPORT	56,153	49,153	54,012	-2,141	+4,859
RDT&E INSTRUMENTATION AND MATERIEL SUPPORT	30,630	27,630	29,630	-1,000	+2,000
RDT&E SHIP AND AIRCRAFT SUPPORT	98,251	98,251	93,251	-5,000	-5,000
TEST AND EVALUATION SUPPORT	346,913	341,913	317,299	-29,614	-24,614
OPERATIONAL TEST AND EVALUATION CAPABILITY	8,720	5,000	5,000	-3,720	—
MARINE CORPS TACTICAL EXPLOITATION OF NATIONAL CAPABIL	1,223	1,223	1,223	—	—
PRODUCTIVITY INVESTMENTS	695	695	695	—	—
WEATHER SERVICE	1,022	1,022	1,022	—	—
DEFENSE METEOROLOGICAL SATELLITE PROGRAM (DMSP)	4,264	4,264	2,340	-1,924	-1,924
INDUSTRIAL PREPAREDNESS	40,499	50,499	40,499	—	-10,000
GENERAL REDUCTION	—	—	—	—	—
TACTICAL OCEANOGRAPHY	—	—	—	—	—
FAST SEALIFT TECHNOLOGY DEVELOPMENT	—	—	15,000	+15,000	+15,000
PRIOR YEAR AUTHORIZATION CHANGES	—	—	—	—	—
TOTAL, DEFENSEWIDE MISSION SUPPORT	792,031	733,527	724,024	-68,007	-9,503
R&D FACILITIES CONSTRUCT TRANSFER TO MILCON	—	—	-23,753	-23,753	-23,753
REDUCTION FOR ROBOTICS	—	—	-3,110	-3,110	-3,110
TOTAL, RESEARCH DEVELOPMENT TEST & EVAL NAVY	9,830,300	9,765,454	9,823,627	-6,673	+58,173

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

Appropriations, 1989	$14,502,347,000
Budget estimate, 1990	14,651,900,000
House allowance	12,438,021,000
Committee recommendation	13,915,171,000

The Committee recommends an appropriation of $13,915,171,000, a reduction of $736,729,000 to the budget request. The Committee recommendation is $1,477,150,000 above the House allowance.

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Technology base	799,801	855,801	772,489	−27,312
Advanced technology development	576,596	752,148	459,937	−116,659
Strategic programs	4,838,742	4,139,652	4,780,564	−58,178
Tactical programs	4,520,438	2,931,322	4,006,746	−513,692
Intelligence and communications	2,135,060	2,046,887	2,233,560	+98,500
Defensewide mission support	1,781,263	1,712,211	1,661,875	−119,388

The budget activities and programs funded under this appropriation are discussed below.

HOUSE ADJUSTMENTS

The Committee concurs with the following House adjustments:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Lincoln Lab	25,603	24,603	24,603	−1,000
Armament/ordnance development [DAACM]	21,236	4,236	4,236	−17,000
Standoff land attack missile	5,062			−5,062

CLASSIFIED PROGRAM ADJUSTMENTS

The Committee recommends the following adjustments to classified programs, as explained in the classified annex to the Committee's report:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Tactical programs—Classified	649,803	475,693	641,803	−8,000
TR-1 squadrons	110,710	110,710	85,710	−25,000
Copper helix			+2,000	+2,000
Intell/comm—Classified	2,008,300	1,920,127	2,016,800	+98,500

OTHER ADJUSTMENTS

The Committee recommends the following adjustments—already approved by the Senate—to the budget request:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Advanced materials for weapons systems	12,116	12,116	9,116	−3,000
Range improvement	96,769	96,769	86,769	−10,000
Test and evaluation support	296,352	286,352	294,352	−2,000

COMMITTEE RECOMMENDED ADJUSTMENTS

The fiscal year 1990 budget request included many programs which contain: (a) Redundant or duplicative efforts; (b) excessive real growth; (c) increases not accompanied by detailed justifications; (d) funds identified by the Office of the Secretary of Defense, the Air Force, or the General Accounting Office as unneeded in fiscal year 1990 for higher priority efforts; and (e) funds available from contract savings. Accordingly, the Committee recommends the following adjustments:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Minuteman squadrons	94,010		64,000	−30,010
NCMC—TW/AA System	120,620	102,120	113,620	−7,000
Ballistic missile early warning system [BMEWS]	19,314	19,314	18,314	−1,000
Sublaunched ballistic missile warning system	4,599	4,599	3,599	−1,000
Space shuttle operations	61,692	61,692	60,192	−1,500
Manpower, personnel, and training development	4,534	4,534		−4,534
Advance systems eng./planning	14,036	14,036	7,036	−7,000
F-111 squadrons	32,369	32,369	21,369	−11,000
Adv comm systms	12,728	12,728	11,528	−1,500
Aerospace avionics	68,457	68,457	66,417	−2,040
Aerospace propuls. sybsystms integ.	23,152	23,152	21,658	−1,494
Adv. avionics for aerospace vehicles	26,994	26,994	25,778	−1,216
Aerospace propuls. and power tech	34,923	34,923	33,530	−1,393
Space test prgm	66,589	51,589	46,616	−19,973
R&M maturation/tech insertion	20,531	20,531	19,166	−1,365
RDT&E aircraft spt	58,448	58,448	54,249	−4,199
Real prop. maint—RDT&E	94,752	90,000	81,544	−13,208
Base ops—RDT&E	65,780	65,780	62,037	−3,743

ADDITIONAL MAJOR PROGRAM ADJUSTMENTS AND SPECIAL INTEREST ITEMS

University research initiatives [URI].—As explained in the RDT&E introduction, the Committee recommends deleting the funds requested for defense-related basic research at colleges and universities and transferring that amount to a consolidated URI program in the "Defense Agencies" account. The recommendation deletes the $24,882,000 sought in the "Air Force RDT&E" account and is an equal amount below the budget request and the House allowance.

National aerospace plane [NASP].—The Committee recommends deleting the $100,000,000 requested for fiscal year 1990 for the Defense Department's participation in the NASP program. The recommendation is $100,000,000 below the budget request and $285,000,000 below the House allowance.

The NASP program is intended to develop a hypersonic (Mach 25) manned aircraft/rocket booster that will launch payloads into orbit from conventional runways. The Air Force and the National Aeronautics and Space Administration [NASA] are developing the NASP in a jointly funded and managed program. As originally proposed, the NASP program was to spend more than $3,400,000,000 between fiscal years 1986–94 to develop and fly two experimental flight test vehicles.

The Committee commends the executive branch's attempt to create a more affordable NASP program. However, it remains concerned that the program still is projected to cost at least $2,500,000,000 during the next 5 years. Since total funds available for the fiscal year 1991–95, 5 year defense program are expected to decline significantly, the affordability of even the revised NASP program is open to question.

Hypervelocity missile.—The Committee recommends denial of the full budget request of $8,306,000 for this program to develop an aircraft-delivered variant of the Army's heavy antitank weapon now under development. Tests have determined that the Air Force's hypervelocity missile has major design defects and requires a complete redesign. However, the Army's variant also can be delivered by fighter aircraft. Therefore, the Committee recommends that the Air Force program be terminated, and that the Air Force plan immediately to incorporate the Army weapon into its antiarmor munitions inventory.

The House allowance provides $4,000,000 for the Air Force Hypervelocity Missile Program.

Advanced spacecraft technology.—This program develops improved components, such as more powerful maneuvering thrusters, for U.S. military satellites. A principal program objective is to develop more reliable, less complex, and less costly satellite subsystems. The Committee recommends $8,748,000 for this program, a reduction of $250,000 from the budget request and from the House allowance. The recommendation deletes funds for the advanced spacecraft technology integration new start project. This project has the potential to duplicate other ongoing satellite improvement programs, especially the LIGHTSAT project in the Defense Advanced Research Projects Agency.

Advanced weapons technology and SPACETRACK.—The Air Force requested $70,324,000 for the Advanced Weapons Technology Program and $15,747,000 for the SPACETRACK program in fiscal year 1990. Of these amounts, $38,036,000 of the first program will fund ground-based laser technologies associated with antisatellite [ASAT] applications. The second program intends to allocate $6,000,000 of its budget request for ASAT surveillance support to develop an overall battle management and command-control-communications architecture and capability for U.S. antisatellite weapons.

The Committee recommends full funding for both program elements, an action which agrees with the House allowance. However, as explained in the RDT&E introduction, the obligation and expenditure of more than 33 percent of the ASAT-related funds in each program is restricted until the Defense Department satisfies certain conditions.

The Committee acknowledges that critical technologies issues necessary to support the Milestone I decision for an ASAT directed energy weapons system remain to be resolved. The Committee urges the Secretary to review these requirements and, if justified, to consider a prior approval reprogramming request to continue the technologies associated with the single pulse and excimer laser programs.

Advanced strategic missile systems [ASMS].—The Committee recommends $87,352,000 for this program which represents much of the advanced technology effort dedicated by the Air Force to maintaining and improving its land-based intercontinental ballistic missiles. The recommendation is $12,000,000 below the budget request and $2,000,000 above the House allowance.

Significant projects within this program have included advanced warhead designs, improved missile guidance systems, and defense penetration aids. The ASMS program has experienced significant funding fluctuation and changed priorities during the recent past. For example, the Committee has learned that the entire program may undergo a major restructuring from what was presented to the Congress just a few short months ago.

The Committee now understands that the Air Force intends to spend as much as $12,000,000 in fiscal year 1990 on what is known as a multimission Earth penetrating weapon. The Committee is concerned about the duplicative nature of this project, and recommends deleting these funds from the budget request.

The Committee further directs that any fiscal 1990 funds appropriated for the ASMS program may not be obligated or expended until 30 days after Congress receives a detailed justification of the projects proposed to be carried out with these funds, as well as all changes since the program initially was presented to Congress in early 1989.

In addition, the Committee observes that there have been dramatic changes in the budget profiles of the Advanced Strategic Missile Systems Program for several years. Such fluctuations make prudent planning of a technology development program difficult and have resulted in inefficient starts, slowdowns, and terminations. To eliminate these inefficiencies, the Committee directs the Secretary of Defense to provide a long-term plan for stabilizing the strategic missile advanced technology base and the advanced development effort needed to maintain the projected ICBM leg of the U.S. strategic nuclear deterrent TRIAD.

This plan should identify the 5-year funding profiles and composition of the technology efforts needed to support current and projected strategic land-based missile programs. The Committee would appreciate receiving this report no later than March 1, 1990.

Space surveillance technology.—The Committee recommends denying the $4,968,000 requested for this program as part of its overall approach to the technology development efforts proposed for the Space Based Wide Area Surveillance Program. This approach is explained in the introduction to the RDT&E section of the report. The House allowance also deleted these funds from the budget request.

B1-B bomber.—In the past, this program element has funded the RDT&E efforts associated with production and deployment of the B-1B bomber, including correction of the deficiencies in its low-level flight capabilities and electronic countermeasures [ECM] systems. Also, Congress has provided in this program element funds to modify the aircraft to carry specific nuclear and conventional weapons, and for general B-1B flight testing.

This year, the Air Force did not request continued funding in this program element, although funds to correct persistent deficiencies in the aircraft's ECM capabilities are sought elsewhere in the service's budget.

During its hearings, the Committee learned that additional funds are needed to complete all cruise missile integration testing for the B-1B to preserve options to use some of these aircraft as standoff weapons carriers, along with the B-2 as a penetrating bomber. Under current Air Force plans, such testing would be delayed, and the current contractor and military test force would be disbanded. This expensive testing capability would need to be reconstituted at even higher costs in the future.

Despite Air Force assurances, the B-1B's viability as a penetrating bomber is highly questionable in the mid-to-late 1990's. Therefore, the Committee believes that delaying final cruise missile integration testing and certification for the B-1B is both militarily and fiscally imprudent. The Committee recommends adding $50,000,000 to this program element to fund this testing and certification effort.

The Committee recognizes the complexities associated with counting cruise missile carrying aircraft under various hypothetical arms control regimes. However, the Committee understands that it is possible to incorporate observable differences into B-1B aircraft to distinguish between cruise missile and penetrating variants of the bomber. The recommended additional funding should be sufficient to fund development of such externally observable differences so that not all B-1B's count as cruise missile carrying aircraft under arms control limits.

The Committee suggests that an optimum air-breathing component of our strategic deterrent TRIAD may well consist of a mix of cruise missile carrying and penetrating B-1B bombers, B-2 penetrating Stealth bombers, and cruise missile carrying B-52H aircraft. The more survivable and cost-effective combination of delivery platforms this bomber fleet represents should maintain and strengthen the U.S. nuclear deterrent and provide the Air Force with the maximum amount of military and arms control options.

Additional details regarding the Committee's recommendation are discussed in the classified annex to the report.

The House allowance does not add any funds to this program element.

ICBM modernization.—This program funds the development of the newest, U.S land-based intercontinental ballistic missiles [ICBM]—the 10-warhead Peacekeeper and its rail mobile basing mode, and the single-warhead, truck mobile small ICBM.

The Committee recommends full funding of the $774,244,000 budget request for the rail mobile MX and of the $100,000,000 request for the small ICBM. The House allowance contained $600,000,000 for rail mobile MX and recommended denying the $100,000,000 for the small ICBM and terminating that project.

Defense support program [DSP].—The Committee recommends an appropriation of $73,504,000 for this program, a reduction of $50,200,000 to the budget request. The Committee's recommendation is $103,000,400 below the House allowance of $176,904,000 for the program. The recommended reduction consists of the following elements: (a) $20,000,000 due to late obligation of about $16,000,000 in fiscal year 1989 funds; (b) $1,200,000 identified as excess to known program requirements; and (c) $29,000,000 because the Committee is directing that an equal amount of unused, fiscal year 1989 funds in other program elements be transferred to the DSP program in fiscal year 1990.

The Committee has learned that the Air Force does not intend to use these prior year funds for the purposes for which they were appropriated. These funds are $19,900,000 in the seek spinner program, $8,100,000 in the direct airfield attack combined munition project, and $1,000,000 in the modular standoff weapon effort.

As explained in the RDT&E introduction, the Committee directs that no more than 50 percent of DSP funds may be obligated or expended until the Defense Department submits an updated report assessing options for meeting ballistic missile tactical warning/attack assessment and Strategic Defense Initiative-related requirements.

Advanced tactical fighter [ATF].—The Committee recommends full funding of the $1,111,492,000 requested for the Air Force Advanced Tactical Fighter Program. The Committee also has fully funded, in the "Navy RDT&E" account, the Navy's efforts to develop a carrier-based variant of the ATF.

The ATF and Navy ATF [NATF] are to embody advanced technologies to provide enhanced capabilities, including supersonic cruise, reduced detectability, and increased maintainability. The ATF is intended to succeed the F–15 air superiority fighter and keep the Air Force ahead of the Soviet tactical air threat in the late 1990's and beyond.

The House Appropriations Committee denied the entire ATF budget request and recommended terminating the program.

The Committee disagrees strongly with the House recommendation, which comes as the ATF program enters the final stage of its early development, known as the demonstration/validation phase. Flight tests between the two competing teams are scheduled to begin early next year and are expected to be a critical factor in the selection of a design to continue into full scale development. Almost $2,000,000,000 of Government funds and about $1,000,000,000 of industry funds have been allocated to bring ATF to the point of flight demonstrations, which will be the first true test of whether the Air Force's program objectives are achievable.

Termination of the ATF program before the flight tests and other demonstration/validation efforts that occur in fiscal year 1990 is programmatically premature and fiscally unwise. The fate of the ATF and NATF rests on whether the Air Force and industry can demonstrate satisfactorily they can meet program objectives sufficiently during the flight tests and remaining demonstration/validation activities. Terminating the program before these activities occur squanders the previous investments and will deny the Air Force and the Navy the potential to develop the advanced fighter aircraft they may need in the 1990's and beyond to counter the Soviet threat.

C-17 Program.—The C-17 advanced transport aircraft is the Air Force's newest strategic and tactical airlift aircraft. The Committee recommends an appropriation of $866,227,000, a reduction of $49,000,000 to the budget request of $915,227,000 and the same amount below the House allowance.

The Committee recommendation deletes funds from the management reserves set aside by the contractor ($30,000,000) and the Air Force ($19,000,000) for unidentified contingencies.

Aircraft Engine Component Improvement Program.—The Committee recommends an appropriation of $36,572,000 for this program to develop improvements to existing aircraft engines. The recommendation deletes funds due to the lower priority of this program compared with that of the principal RDT&E efforts to develop new, higher performance jet engines. The Committee fully funds these higher priority programs.

The Committee's recommendation represents a reduction of $71,922,000 to the budget request of $108,494,000, and an amount $53,428,000 below the House allowance of $90,000,000.

Advanced short-range air-to-air missile [ASRAAM].—The budget request included $4,987,000 for U.S. participation in this cooperative program among several of the NATO allies to develop a successor to the Sidewinder, heat-seeking missile. The House allowance provided $3,000,000. The Committee recommends denying all the requested funds and terminating American participation in the program.

Last year, the ASRAAM effort experienced a 1-year delay. An additional 2-year delay in the missile's initial availability has just been announced. The Committee has been informed by the Air Force that the Federal Republic of Germany, for budgetary reasons, withdrew from the program in late July. The U.S. Defense Department remains undecided whether to continue its involvement in the program.

The Committee does not share such hesitation.

Electronic warfare [EW] development.—This program consists of about 20 projects to develop enhanced electronic warfare systems and countermeasures for U.S. aircraft. The Committee recommends $67,256,000 for the program, a reduction of $63,100,000 from the budget request and an amount $2,400,000 above the House allowance.

The recommendation eliminates funds in two projects identified by the Air Force as excess to program needs due to a lack of firm specifications or project definition: (a) $6,000,000 for the upgrade to the AN/ALR-62 radar warning receiver on the EF-111 Raven tactical jamming aircraft; and (b) $5,100,000 for the electronic combat digital evaluation system, which theoretically will be a mechanism to evaluate the relative cost effectiveness of various EW systems.

The Committee also recommends elimination of $52,000,000 for electronic warfare development efforts for the B-1B bomber pending better definition of the B-1B's role as either a penetrating bomber or a cruise missile carrier, or both, and of the deployment status of the B-2 bomber. The budget requested $46,000,000 to begin integrating a new radar warning receiver into the B-1B's currently flawed electronic countermeasures [ECM] system, and another $6,000,000 for development of advanced expendables for the aircraft.

The Committee understands there is considerable skepticism as to whether the current B-1B ECM system ever can be fixed satisfactorily. Since this system will remain the foundation of whatever penetration capabilities the B-1B will have, the Committee believes it is prudent to await further demonstration of the system's viability before investing additional funds to enhance these capabilities. Without such a demonstration, the case for the B-1B to continue as a penetrating bomber for as long as the Air Force desires will be even further diminished.

The House allowance also denied the funds for the B-1B EW development efforts.

Joint tactical information distribution system [JTIDS].—This program develops a communications system and data transfer terminal to pass tactical air battle information to fighter aircraft, and other combat information among surface ships and ground stations. A variant of the system, known as the multifunctional information distribution system [MIDS], is a reduced-size terminal being developed by the United States and several of its NATO allies for newer tactical aircraft.

Since the MIDS has been funded previously in the NATO R&D program element in the "RDT&E, defense agencies" account, the Committee recommends eliminating the $9,000,000 requested for this project in the Air Force budget and earmarking an equal amount for MIDS in that defense agencies program element.

The Committee also wishes to express its concern about the Air Force's ambivalent commitment to the JTIDS system and the impact this unenthusiastic position might have on the MIDS program. The Committee supports an expeditious evaluation of JTIDS on F-15 aircraft as soon as possible to demonstrate its unique capabilities—in an operational environment—to both the Air Force and the NATO countries participating in the MIDS program.

Joint surveillance/target attack radar system [JSTARS].—JSTARS is an airborne surveillance system intended to identify and track, for targeting purposes, an adversary's ground forces far behind the forward line of troops. The system has experienced development problems, but the Air Force recently reported some positive test results.

If successfully developed, JSTARS has the potential to play a major role in the prosecution of the U.S.'s follow-on forces attack [FOFA], conventional warfighting concept. This doctrine envisions blunting an enemy's attack by disrupting the rapid reinforcement of his front-line troops by targeting and striking at his second/third echelon units.

The Committee was distressed to learn recently that, despite apparent test successes, the JSTARS program now faces a serious cost overrun problem associated with obtaining a third test aircraft. The possibility also exists that the production line for the intended JSTARS platform—a Boeing 707 aircraft variant—may close and force a costly, major change in the program's acquisition strategy. Finally, additional operational capabilities may be required of JSTARS, with a further impact on cost.

The Committee also has been informed that, due to problems with the procurement of the third test aircraft, the JSTARS Program Office does not think it can obligate until fiscal year 1991 at least $80,100,000 of the fiscal year 1990 budget request. Therefore, the Committee recommends $63,083,000 for the program, a reduction of $80,100,000 to the budget request and the same amount below the House allowance.

Attempts by the Office of the Secretary of Defense [OSD] and the Air Force to resolve these problems have not yet produced the desired results. The Committee strongly urges the Air Force and the major JSTARS contractors to redouble their efforts to solve these problems. A business-as-usual attitude with respect to this important program is not acceptable. The Committee further urges OSD and the Air Force to examine aggressively their options for alternative airframes for the third test aircraft, and to decide quickly the validity of any additional requirements.

The Committee directs that none of the funds appropriated for fiscal year 1990 may be obligated or expended until 30 days after it receives a detailed report from OSD outlining the proposed solutions to the JSTARS programs' problems.

F-16 squadrons.—The Committee recommends $56,812,000 for this program to develop technologies to improve the capabilities of the Air Force's multirole fighter, the F-16. The recommended amount is $17,400,000 below the budget request and $39,400,000 above the House allowance. The recommendation denies all funds requested except for those sought for the F-16 close air support upgrades program proposed in the budget revision.

The denial is based on the Defense Department's failure to comply with the Committee's requirements imposed in the Fiscal Year 1989 Defense Appropriations Act conference report with respect to improvement programs for the F-16 and the Navy's F-18 fighter aircraft. Further explanation is provided in the F-18 squadrons entry in the Navy RDT&E section of this report.

F-4G Wild Weasel squadrons; Follow-on tactical reconnaissance system.—The budget request included $3,149,000 for the F-4G Wild Weasel squadrons and $80,848,000 for the follow-on tactical reconnaissance system. The Committee approves full funding of the budget requests, as does the House allowance.

The F-4G Wild Weasel squadrons program develops improved technologies for the F-4G defense suppression aircraft, which are dedicated to attacking enemy air defenses to clear the way to a military objective for other tactical aircraft. Funds to assess the military-effectiveness and affordability of possible successors to the current Wild Weasel fleet also are contained in this budget line.

The follow-on tactical reconnaissance system program develops a common surveillance sensor package that can be carried as a pod on certain Navy, Marine Corps, and Air Force tactical aircraft. In the original fiscal year 1990 budget request, the program also contained funds to develop a tactical reconnaissance version of the Air Force F-16, known as the RF-16. The Air Force stated these funds were eliminated in the revised budget because of concerns about the survivability and cost effectiveness of the RF-16 concept.

The Committee is concerned with the prospect that replacing the Wild Weasel fleet or undertaking an RF-16 program would require substantial funds. The Committee believes Congress should have a full opportunity to evaluate the costs, benefits, and affordability of such proposals before any actions are taken to initiate any such replacements. Accordingly, the Committee directs that no fiscal year 1989 or 1990 funds may be obligated or expended to proceed beyond concept definition of follow-on Wild Weasel options, or to begin any RF-16 program. The Committee intends to review these issues in its deliberations of the fiscal year 1991 budget request and expects a detailed report on them from the Secretary of Defense to assist it.

F-15E squadrons.—The Committee recommends $90,784,000 for this program to develop technologies to maintain and improve the capabilities of the F-15E dual role fighter. The aircraft has both an air superiority and ground attack mission. The recommendation deletes $4,210,000 that the Air Force informed the Committee ought to be budgeted in the "Aircraft procurement" account and $8,000,000 which was requested mistakenly in two program elements for work associated with equipping the F-15E to deliver the new, nuclear short-range attack missile—tactical.

The recommendation is $12,710,000 below the budget request and $4,710,000 below the House allowance.

Airborne warning and control system [AWACS].—This program develops upgrades to the airborne warning and control system [AWACS] aircraft, which has the mission of early warning and air battle management for United States and allied tactical air forces. Much of the funding in this line is dedicated to upgrading the detection capabilities of the aircraft's radar system as part of what is known as the AWACS Radar System Improvement Program [RSIP].

Congress has expressed strong concerns in the past about the future mission effectiveness of the AWACS RSIP. The Committee further understands that the Air Force is exploring prospects for a cooperative development program for the RSIP with our NATO allies, which operate many AWACS aircraft. Preliminary Air Force information indicates allied participation might save the United States as much as 20 percent, or $78,000,000, of the total $384,000,000 cost of pursuing a United States-only AWACS RSIP research and development program.

The Committee recommends $19,932,000 for AWACS RDT&E in fiscal year 1990, a reduction of $115,200,000 from the budget request and from the House allowance. The recommendation includes the denial of $67,700,000 sought for the RSIP project to give the Air Force more time to create a joint program with our NATO allies, and more time for Congress to resolve its lingering concerns about the radar upgrade. The recommendation also reflects the Committee's direction that the Air Force divert $47,500,000 in fiscal year 1989 RSIP funds to other, ongoing AWACS upgrade efforts in fiscal year 1990. This reallocation permits an equal amount to be deleted from the fiscal year 1990 request for new budget authority.

Space boosters.—The Air Force requested $413,248,000 for this program to develop unmanned space boosters and upper rocket stage propulsion systems used to deploy military satellites. The program element also funds various rocket launch and test facilities. The Committee recommends $416,048,000, an increase of $2,800,000 to the budget request and an amount $20,100,000 above the House allowance of $395,948,000.

The recommendation eliminates $1,000,000 in contingency funds identified by the Air Force as excess to the identified needs of the Medium Launch Vehicle Program and $7,000,000 for construction of testing facilities for the national aerospace plane.

The recommendation also adds $10,800,000 to begin modernization of the only high northern latitude missile test facility available to the Department of Defense and the National Aeronautics and Space Administration [NASA]. This modernization effort will replace equipment belonging to the Defense Nuclear Agency and originally procured in the 1960's. The existing facilities cannot adequately support programmed Defense Department, Strategic Defense Initiative, NASA, and private research projects currently scheduled. The Committee expects the Air Force Space and Missile Test Organization to act as executive agent for the Department, in conjunction with the NASA Wallops Flight Facility, which operates the range under agreement with the Department of Defense.

The Department and NASA should jointly report to the Senate and House Committees on Appropriations on the modernization plan for the northern latitude range not later than January 15, 1990.

Defense Meterological Satellite Program [DMSP].—The Committee recommends an appropriation of $47,641,000 for this program to improve the military's principal weather observation satellites. The amount is $5,000,000 below the budget request and the House allowance. The Committee denies the funds requested for a premature study of a future generation of these satellites.

Improved capability for developmental test and evaluation.—The Committee recommends $51,529,000 for this program, a reduction of $1,070,000 from the budget request of $52,599,000 and the same amount below the House allowance. The recommendation deletes the following funds: (a) $50,000 for testing facilities for the now-ended Ground Launched Cruise Missile Program; (b) $680,000 to begin an $11,000,000 simulator construction project which requires further justification; (c) $340,000 to begin a $49,800,000 testing data system for standoff weapons which requires further justification.

Human Systems Technology Program and reduction for robotics consolidation.—The Committee recommends $49,791,000, a reduction of $390,000 from the budget request and the same amount below the House allowance. Funds are denied for the robotic telepresence concept and specification development project. The denial is based on the Committee's recommendation to consolidate all defense robotics efforts under the management of the Office of the Secretary of Defense, as explained in the RDT&E introduction. For the same reason, the Committee also recommends a reduction of $1,000,000 from the "Air Force's RDT&E" account for the robotics application for rapid runway repair project. The Air Force is directed to eliminate these funds from the appropriate program element and report that action to the Committee. The House allowance does not contain these reductions.

RDT&E-related military construction.—As recommended with the other services, this action deletes funds for military construction requested in the "Air Force RDT&E" account since they will be provided in the "Military construction" account. The recommendation deletes $37,000,000. The House allowance does not contain this reduction.

RDT&E civilian work-year growth.—Due to overall fiscal constraints and the expected lack of real growth in total defense spending in fiscal year 1990, the Committee recommends a reduction of $10,596,000 in the "Air Force RDT&E" account requested for an increase of 248 civilian work-years. This requested increase is particularly difficult to understand since the service's total RDT&E funding request represented 5.3 percent negative real growth compared with its fiscal year 1989 RDT&E budget.

Use of prior year (fiscal year 1989) funds for Tacit Rainbow.—The Committee was informed by the Air Force that $4,000,000 in fiscal year 1989 funds is not needed in the Submarine-Launched Ballistic Missile Radar Warning Program. The Committee directs the Air Force to use these funds to finance Navy testing, weapons-aircraft integration, and other RDT&E activities associated with the Tacit Rainbow program.

The revised budget request eliminated Navy participation in the Tacit Rainbow program. However, the Committee understands that the Joint Chiefs of Staff Joint Requirements Oversight Council—the group responsible for reviewing the warfighting needs of the operational commanders in chief—continues to strongly support Tacit Rainbow for its military operational utility.

The Committee believes that the military operational utility of Tacit Rainbow is clear and that the Defense Department should reconsider the Navy's use of this radar-killing missile. The Committee further believes that the Navy's options to participate in this program should be protected.

The Committee notes that the House allowance has deleted funds for the Army and Air Force Tacit Rainbow programs. As a loitering, antiradiation missile, Tacit Rainbow has the potential to be a critical component of U.S. capabilities to suppress enemy air defenses. The Committee disagrees strongly with the House action.

The Committee also understands that current employment options for Tacit Rainbow may unduly limit its operational flexibility and military utility, even though this utility already promises to be significant. Accordingly, the Committee directs the Office of the Secretary of Defense to consider alternative employment options, as described in the classified annex of this report, and to submit with the fiscal year 1991 budget request a detailed assessment of the costs and schedules to implement these options.

As explained in the classified annex, the Committee also invites the Defense Department to accomplish a $3,000,000, below-threshold reprogramming, if necessary, in connection with a classified project.

House actions not agreed to/Air Force.—The Committee disagrees with the following recommendations contained in the House allowance:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Aerospace populsion	64,921	67,921	64,921	
Undistributed tech. base		53,000		
EW technology	36,342	32,200	36,342	
Strategic programs—classified	2,953,225	2,604,657	2,953,225	
Laser verification		2,000		
Engine model derivative program	994		994	
Short-range attack missile-tactical [SRAM–T]	55,402	55,000	55,402	
Wide area antiarmor munitions	25,125		25,125	
Combat ident. system	109,989	100,000	109,989	
A–10 squadrons	20,000		20,000	
Advvanced medium range air-to-air missile	14,929		14,929	
Tacit Rainbow	20,997		20,997	
Overseas air weapon control system	3,524		3,524	
A–7 squadrons	29,945	19,945	29,945	
Advanced aerial target development	6,455	3,455	6,455	
Flight simulator development	65,186	60,186	65,186	
Satellite control facility	102,579	68,579	102,579	
Consolidate Space Ops Center	29,533	24,533	29,533	
Industrial preparedness	70,751	95,751	70,751	

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
RESEARCH DEVELOPMENT TEST & EVAL AF					
TECHNOLOGY BASE					
IN-HOUSE LABORATORY INDEPENDENT RESEARCH..............	7,657	7,657	7,657	---	---
DEFENSE RESEARCH SCIENCES.............................	187,555	187,555	187,555	---	---
UNIVERSITY RESEARCH INITIATIVES.......................	24,882	24,882	---	-24,882	-24,882
GEOPHYSICS..	36,025	36,025	36,025	---	---
MATERIALS...	59,313	59,313	59,313	---	---
AEROSPACE FLIGHT DYNAMICS.............................	67,650	67,650	67,650	---	---
HUMAN SYSTEMS TECHNOLOGY..............................	50,181	50,181	49,791	-390	-390
AEROSPACE PROPULSION..................................	64,921	67,921	64,921	---	-3,000
AEROSPACE AVIONICS....................................	68,457	68,457	66,417	-2,040	-2,040
PERSONNEL, TRAINING AND SIMULATION....................	29,018	29,018	29,018	---	---
CIVIL ENGINEERING AND ENVIRONMENTAL QUALITY...........	6,051	6,051	6,051	---	---
ROCKET PROPULSION.....................................	37,740	37,740	37,740	---	---
ADVANCED WEAPONS......................................	32,880	32,880	32,880	---	---
CONVENTIONAL MUNITIONS................................	44,459	44,459	44,459	---	---
COMMAND CONTROL AND COMMUNICATIONS....................	83,012	83,012	83,012	---	---
UNDISTRIBUTED (AUTH. LEVEL)...........................	---	53,000	---	---	-53,000
TOTAL, TECHNOLOGY BASE................................	799,801	855,801	772,489	-27,312	-83,312
ADVANCE TECHNOLOGY DEVELOPMENT					
LOGISTICS SYSTEMS TECHNOLOGY..........................	9,616	9,616	9,616	---	---
INEWS/ICNIA...	36,364	36,364	36,364	---	---
ADVANCED MATERIALS FOR WEAPON SYSTEMS.................	12,116	12,116	9,116	-3,000	-3,000
AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION...........	23,152	23,152	21,658	-1,494	-1,494
ADVANCED AVIONICS FOR AEROSPACE VEHICLES..............	26,994	26,994	25,778	-1,216	-1,216
AEROSPACE VEHICLE TECHNOLOGY..........................	19,150	19,150	19,150	---	---
AEROSPACE STRUCTURES..................................	18,087	18,087	18,087	---	---
AEROSPACE PROPULSION AND POWER TECHNOLOGY.............	34,923	34,923	33,530	-1,393	-1,393
PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY.........	7,829	7,829	7,829	---	---
CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY......	20,606	20,606	20,606	---	---
ADVANCED FIGHTER TECHNOLOGY INTEGRATION...............	22,775	22,775	22,775	---	---
LINCOLN LABORATORY....................................	25,603	24,603	24,603	-1,000	---
ADVANCED AVIONICS INTEGRATION.........................	14,732	14,732	14,732	---	---
NATIONAL AERO SPACE PLANE TECHNOLOGY PROGRAM..........	100,000	285,000	---	-100,000	-285,000
EW TECHNOLOGY...	36,342	32,200	36,342	---	+4,142
SPACE AND MISSILE ROCKET PROPULSION...................	11,594	11,594	11,594	---	---
HYPERVELOCITY MISSILE.................................	8,306	4,000	---	-8,306	-4,000
ADVANCED SPACECRAFT TECHNOLOGY........................	8,998	8,998	8,748	-250	-250
SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY...	3,965	3,965	3,965	---	---
VERY HIGH SPEED INTEGRATED CIRCUITS...................	---	---	---	---	---
CONVENTIONAL WEAPONS..................................	25,521	25,521	25,521	---	---
ADVANCED WEAPONS TECHNOLOGY...........................	70,324	70,324	70,324	---	---
WEATHER SYSTEMS - ADV DEV.............................	5,551	5,551	5,551	---	---
CIVIL AND ENVIRONMENTAL ENGINEERING TECHNOLOGY........	9,146	9,146	9,146	---	---
C3I SUBSYSTEM INTEGRATION.............................	7,878	7,878	7,878	---	---
ADVANCED COMPUTER TECHNOLOGY..........................	8,027	8,027	8,027	---	---
TRAINING SYSTEMS TECHNOLOGY...........................	---	---	---	---	---
C3 ADVANCED DEVELOPMENT...............................	8,997	8,997	8,997	---	---
TOTAL, ADVANCE TECHNOLOGY DEVELOPMENT.................	576,596	752,148	459,937	-116,659	-292,211
STRATEGIC PROGRAMS					
ADVANCED STRATEGIC MISSILE SYSTEMS....................	99,352	85,352	87,352	-12,000	+2,000
SHORT RANGE ATTACK MISSILE II (SRAM II) - ADV DEV.....	---	---	---	---	---
RELOCATABLE TARGET CAPABILITY PROGRAM.................	6,398	6,398	6,398	---	---
SPACE SURVEILLANCE TECHNOLOGY.........................	4,968	---	---	-4,968	---
TECHNICAL ON-SITE INSPECTION PROGRAM..................	---	---	---	---	---

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
B-1B	---	---	50,000	+50,000	+50,000
SHORT RANGE ATTACK MISSILE II (SRAM II) - ENG DEV	217,011	217,011	217,011	---	---
ICBM MODERNIZATION	889,010	614,766	889,010	---	+274,244
PEACEKEEPER	(14,766)	(14,766)	(14,766)	---	---
SMALL ICBM	(100,000)	---	(100,000)	---	(+100,000)
RAIL MOBILE MX	(774,244)	(600,000)	(774,244)	---	(+174,244)
STRATEGIC CONVENTIONAL STANDOFF CAPABILITY (SCSC)	---	---	---	---	---
AIR LAUNCHED CRUISE MISSILE (ALCM)	1,347	1,347	1,347	---	---
SYSTEMS SURVIVABILITY (NUCLEAR EFFECTS)	7,675	7,675	7,675	---	---
KC-135 SQUADRONS	2,203	2,203	2,203	---	---
MINUTEMAN SQUADRONS	94,010	---	64,000	-30,010	+64,000
PACCS AND WWABNCP SYSTEM EC-135 CLASS V MODS	1,186	1,186	1,186	---	---
WAR PLANNING AUTOMATED DATA PROCESSING (ADP) - SAC	13,811	13,811	13,811	---	---
NCMC - TW/AA SYSTEMS	120,620	102,120	113,620	-7,000	+11,500
NCMC - SPACE DEFENSE SYSTEMS	---	---	---	---	---
BALLISTIC MISSILE TACTICAL WARNING/ATTACK ASSESSMENT S	---	---	---	---	---
JOINT SURVEILLANCE SYSTEM	1,626	1,626	1,626	---	---
SURVEILLANCE RADAR STATIONS/SITES	6,376	6,376	6,376	---	---
OVER-THE-HORIZON BACKSCATTER RADAR	20,399	20,399	20,399	---	---
BALLISTIC MISSILE EARLY WARNING SYSTEM (BMEWS)	19,314	19,314	16,314	-3,000	-3,000
SPACETRACK	15,747	15,747	15,747	---	---
DEFENSE SUPPORT PROGRAM	123,704	176,904	73,504	-50,200	-103,400
SUBMARINE-LAUNCHED BALLISTIC MISSILE (SLBM) RADAR WARN	4,599	4,599	3,599	-1,000	-1,000
NUDET DETECTION SYSTEM	6,735	6,735	6,735	---	---
COMMAND CENTER PROCESSING AND DISPLAY SYSTEM	---	---	---	---	---
MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (ME	15,798	15,798	15,798	---	---
WORLD-WIDE MILITARY COMMAND AND CONTROL SYSTEMS, INFOR	3,435	3,435	3,435	---	---
WWMCCS INFORMATION SYSTEM JOINT PROGRAM MANAGEMENT OFF	---	---	---	---	---
MILSTAR SATELLITE COMMUNICATIONS SYSTEM (AF TERMINALS)	210,193	210,193	210,193	---	---
MILITARY AIRLIFT GROUP (IF)	---	---	---	---	---
CLASSIFIED PROGRAMS	2,953,225	2,604,657	2,953,225	---	+348,568
LASER VERIFICATION	---	2,000	---	---	-2,000
UNDISTRIBUTED REDUCTION - STRATEGIC	---	---	---	---	---
TOTAL, STRATEGIC PROGRAMS	4,838,742	4,139,652	4,780,564	-58,178	+640,912
TACTICAL PROGRAMS					
ADVANCED TACTICAL FIGHTER	1,111,492	---	1,111,492	---	+1,111,492
INTELLIGENCE ADVANCED DEVELOPMENT	6,699	6,699	6,699	---	---
AIR BASE OPERABILITY ADVANCED DEVELOPMENT	2,794	2,794	2,794	---	---
LOW COST ANTI-RADIATION SEEKER	7,632	7,632	7,632	---	---
COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS	7,876	7,876	7,876	---	---
COMBAT IDENTIFICATION TECHNOLOGY	1,959	1,959	1,959	---	---
AIRCRAFT AVIONICS EQUIPMENT DEVELOPMENT	13,157	13,157	13,157	---	---
AIRCRAFT EQUIPMENT DEVELOPMENT	1,481	1,481	1,481	---	---
ENGINE MODEL DERIVATIVE PROGRAM (EMDP)	994	---	994	---	+994
NUCLEAR WEAPONS SUPPORT	2,246	2,246	2,246	---	---
ALTERNATE FIGHTER ENGINE	61,758	61,758	61,758	---	---
C-17 PROGRAM	915,227	915,227	866,227	-49,000	-49,000
TANKER, TRANSPORT, BOMBER TRAINING SYSTEM	3,625	3,625	3,625	---	---
INFRARED SEARCH AND TRACK SYSTEM	2,449	2,449	2,449	---	---
VARIABLE STABILITY IN-FLIGHT SIMULATOR TEST AIRCRAFT	12,445	12,445	12,445	---	---
JOINT INTEGRATED AVIONICS (INCLUDING ICNIA)	---	---	---	---	---
SHORT RANGE ATTACK MISSILE - TACTICAL (SRAM-T)	55,402	55,000	55,402	---	+402
CLOSE AIR SUPPORT	---	---	---	---	---
MODULAR AUTOMATIC TEST EQUIPMENT	13,926	13,926	13,926	---	---
NIGHT/PRECISION ATTACK	11,514	11,514	11,514	---	---
INTEGRATED EW/CNI DEVELOPMENT	103,194	103,194	103,194	---	---
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	108,494	90,000	36,572	-71,922	-53,428
EW DEVELOPMENT	130,356	64,856	67,256	-63,100	+2,400
ADVANCED SHORT RANGE AIR-TO-AIR MISSILE (ASRAAM)	4,987	3,000	---	-4,987	-3,000
HARDENED TARGET MUNITIONS	6,408	6,408	6,408	---	---
CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT	9,145	9,145	9,145	---	---

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
ARMAMENT/ORDNANCE DEVELOPMENT	21,236	4,236	4,236	-17,000	---
SUBMUNITIONS	7,349	7,349	7,349	---	---
WIDE-AREA, ANTI-ARMOR MUNITIONS	25,125	---	25,125	---	+25,125
AIR BASE OPERABILITY	12,154	12,154	12,154	---	---
AEROMEDICAL SYSTEMS DEVELOPMENT	6,038	6,038	6,038	---	---
COMMON SUPPORT EQUIPMENT DEVELOPMENT	6,967	6,967	6,967	---	---
LIFE SUPPORT SYSTEMS	13,020	13,020	13,020	---	---
OTHER OPERATIONAL EQUIPMENT	2,230	2,230	2,230	---	---
COMBAT IDENTIFICATION SYSTEMS	109,989	100,000	109,989	---	+9,989
JOINT STANDOFF WEAPON SYSTEMS	24,711	---	---	-24,711	---
SURFACE DEFENSE SUPPRESSION	15,422	15,422	15,422	---	---
COMPUTER RESOURCES MANAGEMENT TECHNOLOGY	11,736	11,736	11,736	---	---
INTELLIGENCE EQUIPMENT	3,522	3,522	3,522	---	---
JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	41,651	41,651	32,651	-9,000	-9,000
SIDE LOOKING AIRBORNE RADAR	8,155	8,155	8,155	---	---
JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM (JSTARS)	143,183	143,183	63,083	-80,100	-80,100
JOINT INTEROPERABILITY OF TACTICAL COMMAND & CONTROL S	6,271	6,271	6,271	---	---
F-111 SQUADRONS	32,369	32,369	21,369	-11,000	-11,000
F-15A/B/C/D SQUADRONS	2,749	2,749	2,749	---	---
A-10 SQUADRON	20,000	---	20,000	---	+20,000
F-16 SQUADRONS	74,212	17,412	56,812	-17,400	+39,400
F-15E SQUADRONS	103,494	95,494	90,784	-12,710	-4,710
F-4G WILD WEASEL SQUADRONS	3,149	3,149	3,149	---	---
F-117A SQUADRONS	50,659	50,659	50,659	---	---
TACTICAL AGM MISSILES	2,485	2,485	2,485	---	---
ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM) (PRO	14,929	---	14,929	---	+14,929
F-111 SELF PROTECTION SYSTEMS	10,560	10,560	10,560	---	---
TR-1 SQUADRON	110,710	110,710	85,710	-25,000	-25,000
FOLLOW-ON TACTICAL RECONNAISSANCE SYSTEM	80,848	80,848	80,848	---	---
AF TENCAP	335	335	335	---	---
TACIT RAINBOW	20,997	---	20,997	---	+20,997
STANDOFF LAND ATTACK MISSILE	5,062	---	---	-5,062	---
OVERSEAS AIR WEAPON CONTROL SYSTEM	3,524	---	3,524	---	+3,524
TACTICAL AIR CONTROL SYSTEMS	17,322	17,322	17,322	---	---
AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	135,132	135,132	19,932	-115,200	-115,200
PRIOR YEAR AWACS-RSIP	---	---	---	---	---
ADVANCED COMMUNICATIONS SYSTEMS	12,728	12,728	11,228	-1,500	-1,500
TACTICAL AIR INTELLIGENCE SYSTEM ACTIVITIES	462	462	462	---	---
TACTICAL RECONNAISSANCE IMAGERY AND EXPLOITATION	---	---	---	---	---
SEEK SPINNER	---	---	---	---	---
SEEK EAGLE	16,797	16,797	16,797	---	---
MISSION PLANNING SYSTEMS	2,485	2,485	2,485	---	---
JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC)	3,536	3,536	3,536	---	---
ELECTRONIC COMBAT SUPPORT	2,490	2,490	2,490	---	---
SATELLITE COMMUNICATIONS TERMINALS	5,915	5,915	5,915	---	---
ELECTRONIC COMBAT INTELLIGENCE SUPPORT	1,744	1,744	1,744	---	---
MAC COMMAND AND CONTROL SYSTEM	10,989	10,989	10,989	---	---
A-7 SQUADRONS (ANG)	29,945	19,945	29,945	---	+10,000
FORCE ENHANCEMENTS-ACTIVE	38,689	38,689	38,689	---	---
ADVANCED SPECIAL OPERATIONS R & D	2,300	2,300	2,300	---	---
TIARA GENERAL REDUCTION	---	---	---	---	---
COPPER HELIX	---	---	2,000	+2,000	+2,000
CLASSIFIED PROGRAMS	649,803	475,693	641,803	-8,000	+166,110
TOTAL, TACTICAL PROGRAMS	4,520,438	2,931,322	4,006,746	-513,692	+1,075,424
INTELLIGENCE & COMMUNICATIONS					
DEFENSE SATELLITE COMMUNICATIONS SYSTEM	25,105	25,105	25,105	---	---
LONG-HAUL COMMUNICATIONS (DCS)	3,235	3,235	3,235	---	---
ELECTROMAGNETIC COMPATIBILITY ANALYSIS CENTER (ECAC)	8,746	8,746	8,746	---	---
TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (TRACALS	20,809	20,809	20,809	---	---
NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT)	35,555	35,555	35,555	---	---

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recom-mendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL S	33,310	33,310	33,310	---	---
CLASSIFIED PROGRAMS	2,008,300	1,920,127	2,106,800	+98,500	+186,673
TOTAL, INTELLIGENCE & COMMUNICATIONS	2,135,060	2,046,887	2,233,560	+98,500	+186,673
DEFENSEWIDE MISSION SUPPORT					
SPACE TEST PROGRAM	66,589	51,589	46,616	-19,973	-4,973
SATELLITE SYSTEMS SURVIVABILITY	10,361	10,361	10,361	---	---
ADVANCED AERIAL TARGET DEVELOPMENT	6,455	3,455	6,455	---	+3,000
FLIGHT SIMULATOR DEVELOPMENT	65,186	60,186	65,186	---	+5,000
MANPOWER, PERSONNEL AND TRAINING DEVELOPMENT	4,534	4,534	---	-4,534	-4,534
ADVANCED LAUNCH SYSTEM	99,352	99,352	99,352	---	---
R&M MATURATION/TECHNOLOGY INSERTION	20,531	20,531	19,166	-1,365	-1,365
WEATHER SYSTEMS - ENG DEV	4,821	4,821	4,821	---	---
RANGE IMPROVEMENT	96,769	96,769	86,769	-10,000	-10,000
ELECTROMAGNETIC RADIATION TEST FACILITIES	4,447	4,447	4,447	---	---
IMPROVED CAPABILITY FOR DEVELOPMENT TEST & EVALUATION	52,599	52,599	51,529	-1,070	-1,070
PROJECT AIR FORCE	23,320	23,320	23,320	---	---
RANCH HAND II EPIDEMIOLOGY STUDY	1,419	1,419	1,419	---	---
NAVIGATION/RADAR/SLED TRACK TEST SUPPORT	26,568	26,568	26,568	---	---
TEST AND EVALUATION SUPPORT	296,352	286,352	294,352	-2,000	+8,000
ADVANCED SYSTEMS ENGINEERING/PLANNING	14,036	14,036	7,036	-7,000	-7,000
DYCOMS	4,968	4,968	4,968	---	---
RDT&E AIRCRAFT SUPPORT	58,448	58,448	54,249	-4,199	-4,199
REAL PROPERTY MAINTENANCE - RDT&E	94,752	90,000	81,544	-13,208	-8,456
BASE OPERATIONS - RDT&E	65,780	65,780	62,037	-3,743	-3,743
SATELLITE CONTROL FACILITY	102,579	68,579	102,579	---	+34,000
SPACE BOOSTERS	413,248	395,948	416,048	+2,800	+20,100
CONSOLIDATED SPACE OPERATIONS CENTER	29,533	24,533	29,533	---	+5,000
DEFENSE METEOROLOGICAL SATELLITE PROGRAM (DMSP)	52,641	52,641	47,641	-5,000	-5,000
SPACE SHUTTLE OPERATIONS	61,692	61,692	60,192	-1,500	-1,500
INVENTORY CONTROL POINT OPERATIONS	4,621	4,621	4,621	---	---
DEPOT MAINTENANCE (NON-IF)	2,428	2,428	2,428	---	---
INDUSTRIAL PREPAREDNESS	70,751	95,751	70,751	---	-25,000
PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PRO	19,158	19,158	19,158	---	---
CIVILIAN COMPENSATION PROGRAM	4,148	4,148	4,148	---	---
INTERNATIONAL ACTIVITIES	3,177	3,177	3,177	---	---
LEASED EQUIPMENT	---	---	---	---	---
UNDISTRIBUTED REDUCTION	---	---	---	---	---
PRIOR YEAR SAVINGS	---	---	---	---	---
GENERAL INCREASE	---	---	---	---	---
TOTAL, DEFENSEWIDE MISSION SUPPORT	1,781,263	1,712,211	1,710,471	-70,792	-1,740
R&D FACILITIES CONSTRUCT TRANSFER TO MILCON	---	---	-37,000	-37,000	-37,000
R&D SUPPORT/CIVILIAN WORK YEAR GROWTH	---	---	-10,596	-10,596	-10,596
REDUCTION FOR ROBOTICS	---	---	-1,000	-1,000	-1,000
TOTAL, RESEARCH DEVELOPMENT TEST & EVAL AF	14,651,900	12,438,021	13,915,171	-736,729	+1,477,150

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES

Appropriations, 1989	$8,427,908,000
Budget estimate, 1990	8,965,800,000
House allowance	7,530,872,000
Committee recommendation	8,201,833,000

The Committee recommends an appropriation of $8,201,833,000 for research, development, test and evaluation programs of the Defense Agencies, a reduction of $763,967,000 to the budget request for fiscal year 1990. The Committee recommendation is $670,961,000 above the House allowance.

SUMMARY TABLE

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Technology base	$901,450	1,043,777	1,001,154	+99,704
Advanced technology development	5,359,441	3,652,389	4,580,973	−778,468
Strategic programs	419,153	406,002	266,767	−152,386
Tactical programs	332,087	275,673	260,773	−71,314
Intelligence and communications	1,662,891	1,913,391	1,736,091	+73,200
Defensewide mission support	290,778	239,640	356,075	+65,297

The budget activities and programs funded under this appropriation are discussed below.

HOUSE ADJUSTMENTS

The Committee concurs with the following House adjustments:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Joint service education and training systems development	8,978	5,000	5,000	−3,978
Integrated diagnostics	14,501			−14,501
Technical support—USD[A] (critical technology)	4,079	3,000	3,000	−1,079
RAND national defense institute	18,683	18,183	18,183	−500
General support—P&L	3,151	2,700	2,700	−451
Critical technology analysis	4,488	3,019	3,019	−1,469
Defense Technology Information Center	25,321	23,308	23,308	−2,013
Industrial preparedness	16,441	15,000	15,000	−1,441
Super magnetic energy storage system [SMES]		11,000	11,000	+11,000

CLASSIFIED PROGRAM ADJUSTMENTS

The Committee recommends the following adjustments to classified programs, as explained in the classified annex to the Committee's report:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Airborne reconnaissance support activities	84,600	349,600	48,000	−36,600
Defensive reconnaissance support activities	36,247	26,247	61,247	+25,000
Intelligence/communications—classified	1,253,853	1,249,353	1,338,653	+84,800

COMMITTEE RECOMMENDED ADJUSTMENTS

The fiscal year 1990 budget request included several programs which contained: (a) redundant or duplicative efforts; (b) excessive real growth; or (c) funds identified by the Office of the Secretary of Defense as unneeded in fiscal year 1990 for higher priority efforts. Accordingly, the Committee recommends the following adjustments:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Defense research sciences (recce/surveil/target acq.)	85,100	81,750	83,100	−2,000
Technical studies	1,900	1,900		−1,900
Defense Nuclear Agency	344,518	329,680	328,412	−16,106
Relocatable target detection technology program	21,500	21,500	19,000	−2,500
WWMCCS ADP modernization	51,209	51,209	41,209	−10,000
General support—policy	5,650	5,650	1,650	−4,000

ADDITIONAL MAJOR PROGRAM ADJUSTMENTS AND SPECIAL INTEREST ITEMS

The Committee recommends the following additional adjustments to the budget request, along with recommendations and observations about several special interest items:

Strategic technology.—The Committee recommends an appropriation of $254,338,000 for this program which funds several major projects in the Defense Advanced Research projects Agency [DARPA]. The recommendation is $39,629,000 above the budget request of $214,709,000 and $34,629,000 above the House allowance of $219,709,000.

The Committee recommends funding increases in four critical defense technology areas: (1) $30,000,000 for the DARPA initiative in concurrent engineering; (2) $24,000,000 for the advanced satellite technology program [LIGHTSAT]; (3) $15,000,000 for advanced microelectronics and materials research; and (4) $875,000 for a space object tracking and identification experiment.

The concurrent engineering project combines computer-aided design capabilities with advanced manufacturing technologies to create highly integrated design and production processes. A principal objective of the project is to design products which have enhanced production and logistics maintenance features incorporated into them from inception. The LIGHTSAT project develops smaller, lighter and less costly, single-purpose satellites and space launch boosters which have the potential to meet the operational needs of tactical field commanders. A main goal of this program is to reduce the reliance of these commanders on the limited number of complex and expensive multipurpose military satellites which now exist.

The advanced microelectronics and materials research focuses on microelectronics, optoelectronics, superconductivity, and advanced composite materials. The space object experiment is a unique effort to develop a new instrument, and use a new technique, to track and identify space objects with greater precision. The experiment will investigate the potential for what is known as the enhanced backscatter atmospheric phenomenon as a technique to precisely identify space objects.

The Committee directs that the concurrent engineering initiative be excluded from the impacts of any general or undistributed reductions and not be subject to any other reductions or diversions of funds.

The Committee reduces funds for three projects in this program element: (1) Deletion of $10,800,000 for the advanced surveillance technology concepts project; (2) $16,746,000 for the advanced concepts/leading edge technology project; and (3) $2,700,000 for the DARPA autonomous navigation research robotics effort.

The advanced surveillance project is a premature technology development effort until after the Defense Department decides whether, or which, space-based wide area surveillance program to pursue. The Committee's views in this area are explained fully in the introduction to the RDT&E section of the report.

The advanced concepts/leading edge technology project is a low priority effort. The Committee recommends providing $1,200,000 in this project solely for fiscal year 1990 funding support for the JASONS Group, an outside scientific advisory council which the Defense Department consults frequently as a source of scientific and technological advice.

The robotics project is deleted as part of the Committee's consolidation of all robotics funding into one program element under the control of the Office of the Secretary of Defense.

Materials and electronics technology.—This program element funds major DARPA efforts in advanced materials and electronics technology. The Committee recommends $76,000,000 for this program element in fiscal year 1990. The recommendation is $45,000,000 above the budget request of $31,000,000 and $15,500,000 above the House allowance of $60,500,000.

The recommended increase includes $7,000,000 to fund the first year of a project to develop a continuous fiber metal matrix composite model factory. Such composites have the potential to be much lighter and much more heat resistant than many other materials used in current defense systems. The Committee also agrees with the House-recommended addition of $40,000,000 to fund x-ray lithography technology development. X-ray lithography is an advanced process for manufacturing semiconductor electronic components.

A reduction of $2,000,000 is recommended for the advanced robotic manipulator system [ARMS] project, in conjunction with the

Committee's previously expressed position on all Defense Department robotics programs.

In-house laboratory independent research; United States-Israel aviator study.—The Committee has become aware of a joint United States-Israel scientific research proposal related to the physical health and technical performance of pilots of high-performance military aircraft. The proposal was developed among faculty of the Uniformed Services University of the Health Sciences [UHUHS] and visiting scientists from the Israel defense forces [IDF].

The Committee recommends an increase of $65,000 to UHUHS funding to initiate this research. The recommendation for the total program element is $2,188,000, an increase of $65,000 above the $2,123,000 budget request. The House allowance approves the budget request.

The recommended increase provides funds for instrumentation procurement and maintenance, scientific travel and related expenses. Funding for future years will depend upon satisfactory progress as determined by a panel of experts, to be convened by the Assistant Secretary of Defense (Health Affairs). The panel shall include the dean of the school of medicine [UHUHS], representatives of the Surgeons General of the armed services, and knowledgeable outside medical scientists, including scientists associated with the National Institute of Heart, Lung and Blood at the National Institutes of Health. The Assistant Secretary of Defense (Health Affairs) shall report back to the Committees on Appropriations no later than June 30, 1990.

Strategic Defense Initiative [SDI].—The Committee recommends $3,701,642,000 for fiscal year 1990 for the SDI technology development program and $21,700,000 for SDI's management headquarters program. The recommendation for the technology program is a reduction of $873,868,000 from the budget request of $4,575,510,000 and an amount $857,142,000 above the House allowance of $2,844,500,000. The management headquarters recommendation is $4,694,000 below the budget request of $26,394,000 and $21,700,000 above the House allowance, which combined the funding for both the technology and management efforts.

The Committee's recommended funding provides zero real growth in each SDI program element. The Committee recommended this level of growth in view of overall fiscal constraints and SDI's current major uncertainties.

SDI, the Defense Department's program to develop defenses against strategic and tactical ballistic missiles, remains its largest RDT&E program. The Committee notes that the program faces a major decision in the near future whether to abandon its current phase 1 strategic defense system architecture in favor of the brilliant pebbles concept.

Adoption of the brilliant pebbles configuration of thousands of orbiting, single-payload, space-based interceptors would have major implications for the cost, schedule and complexity of SDI. Several expensive components of the current system apparently could be abandoned, for example. However, the affordability and technological feasibility of brilliant pebbles remains an open question which is being investigated by at least two outside groups. The Defense Department and the strategic defense initiative organization have asked an ad hoc panel of the Defense Science Board, and the JASONS Group, respectively, to examine brilliant pebbles. These special studies are nearing completion, and the Committee hopes they will provide a useful starting point for an objective assessment of the strengths and weaknesses of brilliant pebbles.

With the potential for such a fundamental change in the direction and composition of SDI, the Committee does not feel it is prudent to provide more than the recommended amount of funds in fiscal year 1990. Congress will need ample time to examine and evaluate the conclusions of these special studies, and any executive branch decisions which result from them.

The Committee believes that a stable and balanced research program at the recommended level is the best way to protect the most prudent options for developing technologically advanced and effective missile defenses. A proper balance should be maintained in SDI between developing both nearer-term defense technologies, and the advanced defense technologies which are recognized as essential to maintain the effectiveness of a defensive system against a responsive Soviet threat.

To maintain this balance, the Committee recommends bill language requiring that the total amount of SDI funds made available to the directed energy weapons [DEW] program element in fiscal year 1990 shall not be less than the total amount made available to that program element in fiscal year 1989. The Committee notes that the total amount made available to the DEW program element in fiscal year 1989 is intended to be the figure described in a document provided to the Committee from the Strategic Defense Initiative Organization and entitled "Current Distribution of the SDIO Fiscal Year 1990 Budget Request (June 12, 1989)."

As explained in the overall introduction to the RDT&E section, the Committee restricts the use of 50 percent of the funds for the boost surveillance and tracking system until the Defense Department meets certain conditions.

The Committee's recommended funding level also reflects zero-sum transfers of certain amounts to and from the SDI program to ensure proper budget accounting. The net result of the transfers is to provide the same amount of funds to SDI for the same purposes as contained in the budget request for these projects. The three transfers are: (1) The addition of $6,542,000 to the SDI "RDT&E" account for construction of the misty zephyr phase 1 classified project which was included, incorrectly, in SDI's military construction budget request; (2) the deletion of $23,000,000 from the SDI "RDT&E" account for construction at the national test bed, because these funds should be subject to the approval of the Military Construction Appropriations Subcommittee; and (3) the transfer of $11,000,000 requested in the SDI "RDT&E" account for the super magnetic energy storage system [SMES] project to a separate, defense agencies program element. The House also recommended the establishment of a separate program element for the SMES project.

SMES is an advanced electric power storage technology which has potential application in both the military and civilian sectors. Certain ground-based laser missile defense weapons may require the large amounts of energy a SMES system might be able to store. If the efficient power storage capabilities of SMES technology are demonstrated, the U.S. electric power industry and consumers might benefit from reduced energy storage costs.

The Committee wants to identify SMES as an item of special congressional interest through its action.

In addition, the Committee believes that antitactical ballistic missile [ATBM] programs are important considering the tactical missile threat facing Europe and other allied theaters. Several research and development initiatives which address this mission area are currently supported within the Strategic Defense Initiative [SDI] budget. The Committee urges that ATBM programs continue to be given a high priority within the overall funding level of the Strategic Defense Initiative.

Last, the Committee wishes to address the medical free electron laser [MFEL] program within SDI. The MFEL program was initiated in fiscal year 1984 to develop medical applications of free electron laser technology, by fiscal year 1989, at five regional, university-based, multidisciplinary medical centers. The Committee understands that MFEL funds have been awarded to a number of institutions, including various nonmedical research centers, and Federal and commercial laboratories. This apparent diffusion of funds may have hindered achievement of the program's objectives.

The Committee has no reason to disparage the work or qualifications of any institution or individual presently funded by the MFEL program. However, the Committee expects the SDI program manager to redirect the program toward its original goal by selecting not less than 7 and no more than 10 geographically distributed, university-based, multidisciplinary medical centers. In addition, SDI must manage the the MFEL program and ensure that these medical centers have a plan to develop medical applications of free electron laser technology, culminating in operational, medical hardware in place by the end of fiscal year 1993. These centers should be chosen by a peer review process which meets standards generally accepted in the medical and scientific research communities. The Committee expects the Director, SDI, to maximize program continuity by carrying out the peer review process, which should not be contracted out, as quickly as possible.

Experimental evaluation of major innovative technologies [EEMIT].—The budget request contained $167,300,000 for this DARPA program to fund both large and small projects aimed at developing demonstration systems embodying high payoff military technologies. The Committee recommends $166,200,000 for this program, a reduction of $1,100,000 from the budget request and an amount $450,000 below the House allowance. The reduction denies funding for the antihelicopter mine. Neither the Army nor the Marine Corps have a requirement for a mine system targeted against low flying helicopters. Additional development of organizational and operational [O&O] concepts for such a mine needs to occur before technology efforts begin. The Committee believes that the Army Aviation, Air Defense, and Engineer communities should work together to develop a credible, joint O&O concept.

Balanced technology initiative [BTI].—BTI is an innovative program concentrating on developing technologies which can increase dramatically the conventional war-fighting capabilities of the United States. The program focuses on highly advanced technologies in such areas as armor/antiarmor, smart weapons, high-powered microwaves, and reconnaissance/surveillance/target acquisition.

The Committee recommends $296,082,000 for BTI, an increase of $90,000,000 above the budget request and an amount $176,082,000 above the House allowance. This increase is in recognition of the potential this program has for enhancing U.S. conventional military capabilities. However, the Committee directs that none of the funds provided for BTI be obligated or expended until 30 days after the Defense Department reports to Congress as to how it is improving the management of the program to capitalize fully on its potential.

The Committee exempts from these restrictions $13,000,000 it is allocating in BTI funds solely for the long-range conventional standoff weapon [LRCSOW] project. LRCSOW is an important initiative to combine advanced technologies to produce enhanced nonnuclear war-fighting capabilities.

The Committee feels compelled to express its deep disappointment that BTI's previous program management structure was unable to establish priorities among the projects to be funded. The Committee notes that it first called attention to this problem 2 years ago and urged the Office of the Secretary of Defense [OSD] to exercise greater precision in these matters. Unfortunately, due to OSD's latest management failure, the BTI program initiated so many costly projects that $510,100,000 is required if they all are to be funded in fiscal year 1990. Clearly, this amount is unaffordable, and the military value of all these projects is highly doubtful.

The Committee understands that the Defense Department now recognizes that BTI must be restructured. Accordingly, the Committee expects that the required report will demonstrate specifically how OSD is restructuring the program, including: which projects have been terminated; which old and new projects will be funded in fiscal years 1989,1990, and 1991; the 5-year costs for each project; the specific reasons why each merits BTI funding; and how each contributes directly to achieving the overall objectives of the BTI program.

NATO research and development [R&D].—The NATO R&D program funds U.S. participation in joint projects with NATO and non-NATO allies to develop technologies and systems to enhance conventional combat effectiveness. The program permits the United States and its allies to combine their scarce defense RDT&E resources more efficiently and effectively.

The Committee recommends an appropriation of $200,000,000 for NATO R&D in fiscal year 1990, an increase of $103,300,326 to the budget request of $96,674,000 and an amount $143,826,000 above the House allowance of $56,174,000. The Committee further prohibits the obligation and expenditure of more than $43,874,000 of fiscal 1990 funds until 30 days after the Defense Department provides detailed information to Congress about the specific projects to be financed with all fiscal year 1990 funds, including the military justification and total program costs for each.

In the past, the Committee has expressed concerns about the potential and real duplication between projects funded in this program and in the separate service budgets. This situation apparently continues. This directs that no NATO R&D funds be used for the following programs which duplicate ongoing projects, or which are premature since the Defense Department remains undecided about their affordability and cost effectiveness: (1) Hypervelocity projectile—$4,000,000 ($2,000,000 unobligated in fiscal year 1989 and $2,000,000 allocated for fiscal year 1990); (2) Space-based radar—$21,000,000 to $30,500,000 ($4,500,000 to $6,000,000 unobligated in fiscal year 1989 and $15,000,000 to $30,500,000 allocated for fiscal year 1990); (3) $8,200,000 for fiscal year 1990 for the next generation artillery armament system; (4) $1,800,000 for fiscal year 1990 for the precision attack weapon system; (5) $4,000,000 for unspecified, cooperative opportunities documents new starts for fiscal year 1990; and (6) $21,800,000 allocated for the modular standoff weapon system in fiscal year 1990.

On the other hand, the Committee recognizes the validity of certain NATO R&D projects and wants to ensure adequate funding is provided for them. The Committee recommends that certain amounts be available solely for the following projects: (1) Multimode seeker for the Patriot missile—$25,000,000 for fiscal year 1989 and $10,000,000 for fiscal year 1990; (2) fighter aircraft radar upgrade—$7,000,000 for fiscal year 1989 and $4,500,000 for fiscal year 1990; and (3) multifunctional information distribution system [MIDS]—$9,000,000 for fiscal year 1990.

The Committee continues to be concerned about management aspects of the NATO R&D program, especially the contradictory and changing budget justification documents, late obligation of funds, and funding of duplicative or low priority projects.

The Committee also believes that Congress needs increased oversight, in advance, of international commitments contemplated under the NATO R&D program. The Defense Department is directed to provide 30 days advance notice to the Committees on Appropriations before any new memorandum of agreement/memorandum of understanding [MOA/MOU], or amendment to an existing agreement, is signed which commits the United States to using NATO R&D program funds. The Committee also directs that any future MOA/MOU in this program contain a provision stipulating that United States commitments and participation under the MOA/MOU are subject to the availability of appropriated funds.

Air defense initiative [ADI].—The budget request contained $253,151,000 for this program to develop an air defense system to defend North America against low-observable penetrating bombers and air-launched and sea-launched cruise missiles. In part, ADI is intended to be a complement to the Strategic Defense Initiative's development of defenses against ballistic missile attacks. Unfortunately, ADI suffers from changing priorities, low obligation and expenditure rates, uncertain requirements, and pursuit of probably unaffordable air defense architectures. Therefore, the Committee recommends $110,765,000 for ADI, a reduction of $142,386,000 from the budget request and an amount $129,235,000 above the House allowance of $240,000,000. The Committee believes that ADI should be funded at more modest levels until these fundamental problems are resolved.

Force enhancements—active.—The Committee recommends $10,530,000 for this program to develop advanced technologies to enhance the capabilities of the special operations forces. The recommended amount is $5,000,000 below the budget request and $5,500,000 above the House allowance. The recommendation denies funds for a new start project for explosive ordnance disposal [EOD] rapid prototyping. Instead of meeting the overall program's stated purpose of concentrating on low intensity conflict and antiterrorism efforts, the project duplicates conventional EOD projects in most respects.

Consolidated DOD software initiative [ADA].—This program develops improved software and software development tools for the Defense Department. The Committee recommends $35,426,000 for fiscal year 1990, an increase of $3,000,000 above the budget request and $7,000,000 below the House allowance. The increase to the budget request is only to be used to establish a national software technology repository using software for adaptable, reliable systems [STARS].

Joint standoff weapons program.—The budget request included $31,836,000 to fund concept definition and advanced technology development for the long-range conventional standoff weapon [LRCSOW]. The recommendation provides $18,836,000, a reduction of $13,000,000 from the budget request and an amount $18,836,000 above the House allowance. The Committee directs that the remaining funds for this program be funded by the balanced technology initiative [BTI] program element. BTI has funded advanced technology work associated with the LRCSOW in the past. BTI funds for LRCSOW are not subject to the obligation and expenditure restrictions imposed on the overall BTI program.

Joint remotely piloted vehicles [RPV] program.—This program to develop and exploit unmanned aerial vehicle [UAV] technologies continues to be plagued by major revisions, uncertain priorities, excessive concurrency, and a lack of firm requirements documents. The Committee recommends $62,669,000, a reduction of $54,336,000 from the budget request and an equal amount below the House allowance.

The recommendation defers funding for the following premature development projects: (1) $11,191,000 for the endurance UAV; (2) $9,000,000 for the close range UAV; (3) $2,500,000 for the block III upgrade for the short range UAV; (4) $29,270,000 for technology developments; and (5) $2,375,000 for support of the amber UAV program after completion of development efforts.

Technical support to Under Secretary of Defense (Acquisition).—This program element provides funding to the Under Secretary of Defense for Acquisition [USD(A]] for, among other activities, technical studies and analytical support. The Committee is aware of a National Academy of Sciences' [NAS] proposal to study the comparability of research and development [R&D] sponsored by DOD and R&D sponsored by other Federal agencies. Accurate characterization of R&D activities supported by DOD is important to statistical reporting of, and making informed decisions, about the level and composition of total Federal R&D efforts. Therefore, the Committee directs that, of the $18,270,000 provided for this program element, $454,170 is available only for the NAS study. In addition, the Committee agrees with the House recommendation to reduce unjustifed real growth in this program element by deleting $5,455,000 from the budget request.

University research initiatives [URI].—As explained in the introduction to the RDT&E section, the Committee recommends the consolidation of all university research initiatives funding in the "Defense agencies" account instead of providing separate, smaller amounts in the individual service accounts. Such a consolidation increases oversight and reduces potential for duplication. The recommendation provides $50,016,000 in new budget authority for fiscal year 1990, a reduction of $46,000,000 to the total sought for URI among the Defense Agencies and service accounts. However, the Committee recommends that an equal amount in unobligated fiscal year 1989 funds intended for specific, noncompetitive university research grants be applied instead to the consolidated URI program. The Committee's recommended total funding equals the original, revised budget request for URI in fiscal year 1990. The House allowance provided the requested amount of funds in the separate accounts.

Joint robotics program.—The Committee recommends that funding for all Defense Department robotics activities be consolidated in the "Defense agencies" account under the control of the Office of the Secretary of Defense. This action is explained fully in the introduction to the RDT&E section. Accordingly, the Committee recommends an appropriation of $21,805,000 for these activities, a reduction of $19,890,000 to the budget request of $41,695,000. The House allowance provides the budget request in the separate program elements.

Active ionosphere auroral research.—The Committee recommends an addition of $10,000,000 to the budget request to support projects examining the exploitation of auroral ionospheric phenomena for improved military and submarine communications programs, and high energy technology applications.

The Committee expects the Department to allocate funds for both submarine communication and high energy technology projects to ensure a robust research effort in these emerging fields of technology. Funding for projects suitable for this appropriation should be awarded on a competitive basis within each area of research, under the management of the Director, Defense Research and Engineering and the Office of Naval Research.

R&D support costs.—Due to overall fiscal constraints and the expected lack of growth in the total defense budget, the Committee recommends a reduction of $7,841,000 in the following defense agencies RDT&E categories: (1) $5,376,000 from travel/transport of persons; (2) $1,721,000 for printing/reproduction; and (3) $744,000 for transport of things. The defense agencies growth in these categories exceeded those of the other Defense Department components, except for the Army. The House allowance did not include these reductions.

DARPA management reserve.—Since fiscal year 1987, DARPA's discretionary management reserve has experienced 2,461 percent growth, excluding inflation: from $871,000 in fiscal year 1987 to $23,900,000 in fiscal year 1989. The Committee believes this growth is excessive considering the overall decline in defense spending and in total defense RDT&E funding. The Committee recommends a reduction of $16,390,000, which deletes half of the agency's estimated management reserve funds for fiscal year 1990. The House allowance did not include this reduction.

Use of prior year (fiscal year 1989) funds.—The Committee is aware of the availability of fiscal year 1989 funds which no longer are needed for the purposes for which they were appropriated. Accordingly, the Committee recommends that these funds be reallocated to support fiscal year 1990 activities. The Committee directs that $25,000,000 originally appropriated for fiscal year 1989 for the NATO R&D program modular standoff weapon [MSOW] project be reallocated as follows: (1) $12,224,000 for the joint DOD-DOE munitions technology program element; and (2) $12,776,000 for DARPA to fund research into advanced neural networks information processing technologies. The House allowance does not contain this reallocation of prior year funds.

National defense science and engineering graduate fellowships.—The Committee is recommending a general provision providing $10,500,000 for fiscal 1990 to fund the national defense science and engineering graduate fellowship program administered by the Office of the Secretary of Defense. The provision repeats, with only a slightly modified dollar amount, language adopted in the Fiscal Year 1989 Defense Appropriations Act conference report. The statutory provision provides one-half of the funds for this program from the university research initiatives program element in the "Defense agencies" account and the balance of the funds from amounts available for the defense research sciences program throughout the Defense Department.

The Committee directs that the fiscal 1990 appropriation also be subject to the terms and conditions expressed in the conference report statement of managers.

Spinal Cord Injury Medical/Research Facility.—The Committee recommends bill language stating that $18,000,000 of defense agencies RDT&E funds may be available for a facility to enable collaborative research and training for Department of Defense military medical personnel in trauma care, head, neck, and spinal injury, paralysis, and neurodegenerative diseases. The House bill contains language making up to $18,000,000 of these funds available for the same purposes.

DARPA cooperative agreements and other transactions.—The Committee is aware of a proposal to expand the authority of the Defense Advanced Research Projects Agency [DARPA] to enter into cooperative arrangements and other transactions to earn proceeds to fund other development activities. The proposal would permit DARPA to benefit from such arrangements, when there is a dual use potential for commercial application, for reinvestment in the development of other technologies with a potential for military utility.

The Committee understands that the proposal contemplates that the cooperative arrangements created would be structured to achieve set objectives for a limited duration. The proposal declares that the authority should not be used to establish permanent partnerships or other relationships involving continuing financial support from DARPA.

The Committee appreciates the potential that such cooperative arrangements may have to yield additional RDT&E funds for DARPA at a time when overall Defense Department research funds are constrained. There also are clear civilian technology spinoffs from DARPA's military technology developments. However, the Committee has several concerns with respect to this entire undertaking and cautions that DARPA is embarking upon relatively uncharted waters as far as Defense Department participation in such money-making exercises. The Committee's concerns include:

First, the incentive to earn funds through dual use research should not be allowed to dilute DARPA's principal focus, which is the conduct of military-related research and development for defense purposes.

Second, a strong potential exists for Congress to lose both oversight and allocation control over any funds earned, or over the additional RDT&E those funds might support.

Third, despite declarations by proponents, each cooperative arrangement represents the possibility of becoming a long-term entitlement which may be difficult to terminate due to institutional or other pressures.

Fourth, the proportion of Federal to non-Federal contributions underwriting any cooperative arrangement should be carefully assessed to ensure that the benefits derived by any non-Federal participant only are commensurate with the financial contributions of that participant. The Committee expects that DARPA will provide to Congress a detailed justification for any cooperative arrangement under which the financial and other contributions of the Federal Government far exceed those of the non-Federal contribution.

Fifth, any cooperative agreement should protect Federal data rights against unauthorized transfer to third parties through whatever affiliations they might have with the non-Federal participants.

In view of these concerns, the Committee directs DARPA to submit with the fiscal year 1991 budget request a detailed report containing a list of the cooperative arrangements and other transactions the agency contemplates entering into during fiscal years 1990 and 1991, along with a full justification for each agreement, including how the Committee's specific concerns are being addressed in each case.

The Committee also directs that the Committees on Appropriations be notified 30 days in advance of the signing of any cooperative arrangement, and that each notification contain a copy of the proposed agreement or transaction. The Committee further directs that any funds obtained by DARPA as a result of any cooperative arrangement be set aside in a clearly identified account, and that any proposed use of these funds be subject to established prior approval congressional reprogramming procedures.

High definition television [HDTV] technologies.—The Committee is aware of various proposals to increase DARPA funding for development of high definition television [HDTV] technologies. The Committee recognizes the military contributions these technologies might make. It also understands that the Defense Department is funding research in advanced displays and advanced signal processing and receivers in several programs outside of the Defense Advanced Research Projects Agency.

There are several fundamental questions which should be answered before increased Defense Department funding for HDTV efforts is appropriate. Chief among these questions is whether, and to what extent, the Federal Government should play a role in developing HDTV technologies with commercial applications. The Committee understands that there are divided opinions within the executive branch on this essential issue. This issue should be resolved before any one department or agency begins an expanded undertaking in this area. Without such a resolution, the possibility exists that such a premature undertaking might be less productive and cost-effective than it would be as part of a coordinated, Governmentwide effort.

Other major questions include: (1) the extent of equitable cost-sharing between Federal and non-Federal participants, especially private enterprises; (2) the ownership of data rights and the transfer of critical technologies, especially to any foreign subsidiary of a participating U.S. firm, or to any foreign firm with which a U.S. firm has a technical exchange agreement; and (3) the specific relationship of any Defense Department HDTV efforts to whatever other, federally funded research is sponsored in this area.

The Committee urges the executive branch to develop, without delay, a well-coordinated and fiscally prudent policy and program for HDTV technology development.

Have gaze.—The Committee understands that tests are now in progress to determine the technical feasibility of the Have gaze concept. The Defense Department did not request specific funds for the project for fiscal year 1990. If current tests prove to be successful, the Committee urges the Defense Department to consider submitting a prior approval reprogramming request for funds to continue this effort.

House actions not agreed to.—The Committee disagrees with the following recommendations contained in the House allowance:

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
Tactical technology	124,600	83,100	124,600	
Integrated command and control technology	34,000	84,000	34,000	
Nuclear monitoring	24,500	36,000	24,500	
Lighter than air technology		30,000		
Nonacoustic ASW [DOD–DOE]		28,000		
Technology base undistributed add		48,015		
Advance submarine technology		145,000		
Special technology support		25,000		
Microwave millimeter wave monolithic integrated circuit	79,580	81,080	79,580	
Prototyping of advance technologies and innovative concepts	94,700	15,000	94,700	
Cooperative DOD–VA medical research		20,000		
Consolidated DOD S/W initiative	14,670	7,870	14,670	
Infrared focal plane array	19,810		19,810	
National airspace system		15,000		
Joint tactical information distribution system	82,509	58,909	82,509	
Torpedo S/W validation		3,000		
General support for PA&E	2,335		2,335	
OT&E capability impprovement program		45,000		

[In thousands of dollars]

	Budget estimate	House allowance	Committee recom-mendation	Senate compared to—	
				Budget estimate	House allowance
	(1)	(2)	(3)	(4)	(5)
RESEARCH DEVELOPMENT TEST & EVAL DEF AG					
TECHNOLOGY BASE					
DEFENSE RESEARCH SCIENCES..............................	85,100	81,750	83,100	-2,000	+1,350
IN-HOUSE LABORATORY INDEPENDENT RESEARCH..............	2,123	2,123	2,188	+65	+65
UNIVERSITY RESEARCH INITIATIVES........................	---	---	50,016	+50,016	+50,016
UNIVERSITY RESEARCH INITIATIVES........................	25,000	25,000	---	-25,000	-25,000
DEFENSE UNIVERSITY RESEARCH INSTRUMENTATION PROGRAM...	---	---	---	---	---
TECHNICAL STUDIES......................................	1,900	1,900	---	-1,900	-1,900
CENTER FOR ADVANCEMENT OF SCIENTISTS, ENGINEERS, AND T	---	---	---	---	---
STRATEGIC TECHNOLOGY...................................	214,709	219,709	254,338	+39,629	+34,629
TACTICAL TECHNOLGY.....................................	124,600	83,100	124,600	---	+41,500
PARTICLE BEAM TECHNOLOGY...............................	14,000	14,000	14,000	---	---
INTEGRATED COMMAND AND CONTROL TECHNOLOGY..............	34,000	84,000	34,000	---	-50,000
MATERIALS AND ELECTRONICS TECHNOLOGY...................	31,000	60,500	76,000	+45,000	+15,500
NUCLEAR MONITORING.....................................	24,500	36,000	24,500	---	-11,500
DEFENSE NUCLEAR AGENCY.................................	344,518	329,680	328,412	-16,106	-1,268
ENVIRONMENTAL HAZARD RESEARCH..........................	---	---	---	---	---
ADV ASW TECH...	---	---	---	---	---
TECH EXPLOITATION......................................	---	---	---	---	---
CLASSIFIED PROGRAM.....................................	---	---	---	---	---
ACTIVE IONOSPHERE AURORAL RESEARCH.....................	---	---	10,000	+10,000	+10,000
PHYSICAL SECURITY......................................	---	---	---	---	---
LIGHTER THAN AIR TECHNOLOGY (DARPA)....................	---	30,000	---	---	-30,000
NON-ACOUSTIC ASW (DOD-DOE).............................	---	28,000	---	---	-28,000
UNDISTRIBUTED (AUTH. LEVEL)............................	---	48,015	---	---	-48,015
TOTAL, TECHNOLOGY BASE................................	901,450	1,043,777	1,001,154	+99,704	-42,623
ADVANCE TECHNOLOGY DEVELOPMENT					
STRATEGIC DEFENSE INITIATIVE (SDI).....................	4,575,510	2,844,500	3,701,642	-873,868	+857,142
SDI-SURVEILLANCE, ACQUISITION, TRACKING AND KILL A	(1,336,932)	(1,336,932)	(1,336,932)	---	---
SDI-DIRECTED ENERGY WEAPONS........................	(831,399)	(831,399)	(831,399)	---	---
SDI-KINETIC ENERGY WEAPONS.........................	(1,111,253)	(1,111,253)	(1,111,253)	---	---
SDI-SYSTEMS AND BATTLE MANAGEMENT..................	(723,054)	(723,054)	(723,054)	-	---
SDI-SURVIVABILITY, LETHALITY, AND KEY SUPPORT TECH	(572,872)	(572,872)	(572,872)	---	---
SDI-GENERAL REDUCTION..............................	---	(-1,731,010)	---	---	(+1,731,010)
JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT........	7,933	7,933	7,933	---	---
EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGI	167,300	166,650	166,200	-1,100	-450
RELOCATABLE TARGET DETECTION TECHNOLOGY PROGRAM.......	21,500	21,500	19,000	-2,500	-2,500
ADVANCED SUBMARINE TECHNOLOGY.........................	---	145,000	---	---	-145,000
SPECIAL TECHNOLOGY SUPPORT............................	---	25,000	---	---	-25,000
MICROWAVE/MILLIMETER WAVE MONOLITHIC INTEGRATED CIRCUI	79,580	81,080	79,580	---	-1,500
PROTYPING OF ADVANCED TECHNOLOGIES AND INNOVATIVE CONC	94,700	15,000	94,700	---	+79,700
COMPUTER AIDED LOGISTICS SUPPORT......................	12,875	12,875	12,875	---	---
BALANCED TECHNOLOGY INITIATIVE........................	206,082	120,000	296,082	+90,000	+176,082
COOPERATIVE DOD/VA MEDICAL RESEARCH...................	---	20,000	---	---	-20,000
SEMICONDUCTOR MANUFACTURING TECHNOLOGY................	100,000	100,000	100,000	---	---
CONSOLIDATED DOD SOFTWARE INITIATIVE..................	14,670	7,870	14,670	---	+6,800
CONSOLIDATED DOD SOFTWARE INITIATIVE (ADA)............	32,426	42,426	35,426	+3,000	-7,000
PHASE I STRATEGIC DEFENSE SYSTEM......................	---	---	---	---	---
COMMAND AND CONTROL RESEARCH..........................	2,415	2,415	2,415	-	---
INFRARED FOCAL PLANE ARRAY............................	19,810	---	19,810	---	+19,810
FORCE ENHANCEMENTS-ACTIVE.............................	15,530	5,030	10,530	-5,000	+5,500
ADVANCED SPECIAL OPERATIONS RESEARCH, DEVELOPMENT AND.	9,110	9,110	9,110	---	---
SUPER MAGNETIC ENERGY STORAGE SYSTEM..................	---	11,000	11,000	+11,000	---
NATIONAL AIRSPACE SYSTEM..............................	---	15,000	---	---	-15,000
TOTAL, ADVANCE TECHNOLOGY DEVELOPMENT................	5,359,441	3,652,389	4,580,973	-778,468	+928,584

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to—	
				Budget estimate (4)	House allowance (5)
STRATEGIC PROGRAMS					
VERIFICATION TECHNOLOGY DEMONSTRATION..................	19,000	19,000	19,000	---	---
ISLAND SUN..	58,070	58,070	58,070	---	---
AIR DEFENSE INITIATIVE..............................	253,151	240,000	110,765	-142,386	-129,235
NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT..........	12,920	12,920	12,920	---	---
WWMCCS SYSTEMS ENGINEER.............................	16,790	16,790	16,790	---	---
MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (ME	8,013	8,013	8,013	---	---
WWMCCS ADP MODERNIZATION............................	51,209	51,209	41,209	-10,000	-10,000
TOTAL, STRATEGIC PROGRAMS...........................	419,153	406,002	266,767	-152,386	-139,235
TACTICAL PROGRAMS					
PHYSICAL SECURITY EQUIPMENT.........................	32,802	32,802	32,802	---	---
JOINT STANDOFF WEAPONS PROGRAM......................	31,836	---	18,836	-13,000	+18,836
JOINT SERVICE EDUCATION AND TRAINING SYSTEMS DEVELOPME	8,978	5,000	5,000	-3,978	---
JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	82,509	58,909	82,509	---	+23,600
CINC C2 INITIATIVES.................................	1,918	1,918	1,918	---	---
C3 INTEROPERABILITY (JOINT TACTICAL C3 AGENCY)........	50,549	50,549	50,549	---	---
MANAGEMENT HEADQUARTERS (JOINT TACTICAL C3 AGENCY)....	6,490	6,490	6,490	---	---
JOINT REMOTELY PILOTED VEHICLES PROGRAM..............	117,005	117,005	62,669	-54,336	-54,336
TORPEDO SOFTWARE VALIDATION.........................	---	3,000	---	---	-3,000
TOTAL, TACTICAL PROGRAMS............................	332,087	275,673	260,773	-71,314	-14,900
INTELLIGENCE & COMMUNICATIONS					
MAPPING, CHARTING, GEODESY INVESTIGATIONS, AND PROTOTY	---	---	---	---	---
MAPPING, CHARTING, AND GEODESY ENGINEERING DEVELOPMENT	---	---	---	---	---
LONG-HAUL COMMUNICATIONS (DCS)......................	18,520	18,520	18,520	---	---
SUPPORT OF THE NATIONAL COMMUNICATIONS SYSTEM.........	4,070	4,070	4,070	---	---
DMA MAPPING, CHARTING, AND GEODESY (MC&G) PRODUCTION S	261,075	261,075	261,075	---	---
AIRBORNE RECONNAISSANCE SUPPORT PROGRAM...............	84,600	349,600	48,000	-36,600	-301,600
DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES.............	4,526	4,526	4,526	---	---
DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES.............	36,247	26,247	61,247	+25,000	+35,000
CLASSIFIED PROGRAMS.................................	1,253,853	1,249,353	1,338,653	+84,800	+89,300
TOTAL, INTELLIGENCE & COMMUNICATIONS................	1,662,891	1,913,391	1,736,091	+73,200	-177,300
DEFENSEWIDE MISSION SUPPORT					
INTEGRATED DIAGNOSTICS..............................	14,501	---	---	-14,501	---
NATO RESEARCH AND DEVELOPMENT........................	96,674	56,174	200,000	+103,326	+143,826
TECHNICAL SUPPORT TO USD(A).........................	23,725	18,270	18,270	-5,455	---
GENERAL SUPPORT FOR PA&E............................	2,335	---	2,335	---	+2,335
GENERAL SUPPORT FOR POLICY..........................	5,650	5,650	1,650	-4,000	-4,000
GENERAL SUPPORT FOR NET ASSESSMENT..................	3,789	3,789	3,789	---	---
GENERAL SUPPORT FOR FM&P............................	1,528	1,528	1,528	---	---
TECHNICAL SUPPORT TO USD(A)--CRITICAL TECHNOLOGY......	4,079	3,000	3,000	-1,079	---
RAND NATIONAL DEFENSE RESEARCH INSTITUTE..............	18,683	18,183	18,183	-500	---
BLACK LIGHT...	6,000	6,000	6,000	---	---
GENERAL SUPPORT TO C3I..............................	2,155	2,155	2,155	---	---
FOREIGN MATERIAL ACQUISITION AND EXPLOITATION.........	10,655	10,655	10,655	---	---
GENERAL SUPPORT FOR P&L.............................	3,151	2,700	2,700	-451	---
THREAT SIMULATORS DEVELOPMENT........................	---	---	---	---	---
CRITICAL TECHNOLOGY ANALYSIS........................	4,488	3,019	3,019	-1,469	---
DEFENSE TECHNICAL INFORMATION CENTER..................	25,321	23,308	23,308	-2,013	---
INFORMATION ANALYSIS CENTERS........................	5,377	5,377	5,377	---	---
R&D IN SUPPORT OF DOD ENLISTMENT, TESTING AND EVALUATI	1,900	1,800	1,900	---	---
MANAGEMENT HEADQUARTERS (STRATEGIC DEFENSE INITIATIVE)	26,394	---	21,700	-4,694	+21,700
MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)....	16,506	16,506	16,506	---	---

[In thousands of dollars]

	Budget estimate (1)	House allowance (2)	Committee recommendation (3)	Senate compared to— Budget estimate (4)	Senate compared to— House allowance (5)
INDUSTRIAL PREPAREDNESS	16,441	15,000	15,000	-1,441	---
TECHNOLOGY SECURITY FUNCTIONS	1,526	1,526	1,526	---	---
OPTOELECTRONIC MATERIALS	---	---	---	---	---
NATIONAL SECURITY-RELATED SPACE ACTIVITIES	---	---	---	---	---
RESEARCH PROJECTS	---	---	---	---	---
GENERAL REDUCTION	---	---	---	---	---
OT&E CAPABILITY IMPROVEMENT PROGRAM	---	45,000	---	---	-45,000
SCIENCE AND ENGINEERING EDUCATION	---	---	---	---	---
HEAVY FORCES COMMON CHASSIS	---	---	---	---	---
SOLID ROCKET DEMILITARIZATION	---	---	---	---	---
X-RAY LITHOGRAPHY	---	---	---	---	---
ENHANCED SPACE TESTING EQUIPMENT	---	---	---	---	---
TOTAL, DEFENSEWIDE MISSION SUPPORT	290,778	239,640	358,501	+67,723	+118,861
DARPA MANAGEMENT RESERVE	---	---	-16,390	-16,390	-16,390
R&D SUPPORT/CIVILIAN WORK YEAR GROWTH	---	---	-7,841	-7,841	-7,841
JOINT ROBOTICS PROGRAM	---	---	21,805	+21,805	+21,805
TOTAL, RESEARCH, DEVELOPMENT TEST AND EVALUATION, DEFENSE AGENCIES	8,965,800	7,530,872	8,201,833	-763,967	+670,961

DEVELOPMENT, TEST, AND EVALUATION, DEFENSE

Appropriations, 1989	$149,900,000
Budget estimate, 1990	309,300,000
House allowance	224,505,000
Committee recommendation	222,311,000

The Committee recommends an appropriation of $222,311,000, a reduction of $86,989,000 from the budget request for developmental test and evaluation. The Committee recommendation is $2,194,000 below the House allowance.

DIRECTOR OF TEST AND EVALUATION, DEFENSE

Test instrumentation development.—The Committee recommends $83,257,000, a reduction of $83,100,000 from the budget request and $26,743,000 below the House allowance, for this program to develop and procure developmental testing equipment and facilities. The budget request for this program was $166,357,000 and the House allowance approved $110,000,000.

The Committee's reasons for this recommendation are presented in the overall introduction to the RDT&E section of the report. The recommended reduction includes the following projects: (a) $800,000 for the electronic trajectory measurement project, which was poorly justified; (b) $23,500,000 for the stores certification project, which should have been funded in the Air Force budget under the seek eagle program; (c) $500,000 for the deep water RDT&E project, which should have been requested as part of the military construction budget, not in the RDT&E budget; (d) $27,300,000 for multiple object tracking radar procurement, which should have been funded in the Army budget; (e) $4,400,000 for the test instrumentation technology development and demonstration effort, which was poorly justified; (f) $5,000,000 for development of the common airborne instrumentation system, a technically risky and costly proposal; (g) $3,000,000 for the Department of Defense space test capability, a very expensive proposal which is premature considering the uncertainties associated with the Strategic Defense Initiative [SDI] program; (h) $900,000 for the radiation effects test facility, which is premature since the acquisition approach and site selection have not been finalized; (i) $3,000,000 for the scene generator test capability, which appears to duplicate the SDI national test bed; (j) $5,100,000 for the antiradiation missile targets project, which will not be ready for contract award until fiscal year 1991; and (k) $9,600,000 for the large blast and thermal simulator project, which should have been requested as part of the military construction budget, not in the RDT&E budget.

The Committee understands that resources are available in the defense agencies "Military construction" account to finance the design work which was to be funded with the $9,600,000 in RDT&E funds sought for the large blast and thermal simulator.

The Committee directs that, of the funds recommended for the test instrumentation development program, $24,100,000 is provided only for two global positioning system range instrumentation projects.

Space system test capabilities.—This program element provides funds to undertake studies and plan ways to improve the Defense Department's capabilities to test space systems. These efforts are duplicative or unnecessary, since such testing often occurs in the individual development programs for space-related systems. The Committee recommends denial of the budget request of $1,955,000. The House allowance approved the request.

NATO cooperative development testing.—This program tests systems developed by our NATO allies to determine their suitability for U.S. military purposes. The Committee recommends $24,981,000 for this effort, a reduction of $1,934,000 from the budget request and an equal amount below the House allowance. The recommendation reduces the budget by one-half of the amount of fiscal year 1989 funds which remain unobligated in this program. These prior year funds should be used to support fiscal year 1990 efforts.

House actions not agreed to.—The Committee disagrees with the following House recommendations: (a) A reduction of $9,500,000 to the budget request of $60,668,000 for the developmental test and evaluation program; and (b) elimination of the entire $18,938,000 requested for the classified thirst watcher program. The Committee recommends approval of the requested amounts for both programs.

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
DEFENSEWIDE MISSION SUPPORT				
Test instrumentation development	166,357	110,000	83,257	−83,100
Space system test capabilities	1,955	1,955		−1,955
Foreign weapons evaluation	15,737	15,737	15,737	
NATO cooperative development testing	26,915	26,915	24,981	−1,934
Live fire testing	10,850	10,850	10,850	
Joint technical coordinating group for aircraft survivability	7,880	7,880	7,880	
Development test and evaluation	60,668	51,168	60,668	
Thirst watcher	18,938		18,938	
Total, Director of Test and Evaluation, Defense	309,300	224,505	222,311	−86,989

OPERATIONAL TEST AND EVALUATION, DEFENSE

Appropriations, 1989	$71,234,000
Budget estimate, 1990	194,500,000
House allowance	12,725,000
Committee recommendation	118,849,000

The Committee recommends an appropriation of $118,849,000, a reduction of $75,651,000 to the budget request for operational testing capabilities of the Department of Defense. The recomendation is $106,124,000 above the House allowance.

DIRECTOR OF OPERATIONAL TEST & EVALUATION

Operational test and evaluation capability improvement program.—For the reason expressed in the RDT&E introduction, the Committee recommends $61,124,000 for this program to develop and procure equipment to enhance the Defense Department's operational testing capabilities. The recommendation is $63,236,000 below the budget request of $124,360,000. The House denied all funds requested for this program.

In addition, the Committee recommends a one-time exception to the restrictions contained in the Fiscal Year 1989 Defense Appropriations Act conference report preventing use of fiscal year 1989 funds for this program until certain conditions are met.

The Defense Department has requested partial relief from the restrictions, even though the established conditions have not been met. The Department proposes to spend $14,500,000 of fiscal year 1989 funds to procure certain equipment, spares, documentation, and shipping. It also requests permission to use $4,000,000 for expenses associated with this procurement.

The Committee approves a special exception to its conference report language only to permit use of the $14,500,000 in fiscal year 1989 CIP funds for the requested purpose as stated in an August 16, 1989, letter from the Principal Deputy Comptroller of the Department. The Committee directs that the remaining $4,000,000 be provided from within available resources not contained in the CIP program.

The Committee does not expect to entertain favorably any further requests for exceptions to its restrictions on CIP program funds.

Operational test and evaluation.—The Committee concurs with the House recommendation to deny all funds requested for this program.

Close air support.—The Committee disagrees with the House recommendation to deny the entire $45,000,000 requested for this program.

[In thousands of dollars]

	Budget estimate	House allowance	Committee recommendation	Change from budget
DEFENSEWIDE MISSION SUPPORT				
OT&E capability improvement	124,360		61,124	−63,236
Operational test and evaluation	25,140	12,725	12,725	−12,415
Close air support	45,000		45,000	
Total, Director of Operational Test and Evaluation	194,500	12,725	118,849	−75,651

TITLE V

REVOLVING AND MANAGEMENT FUNDS

Appropriations, 1989	$668,500,000
Budget estimate, 1990	774,400,000
House allowance	801,400,000
Committee recommendation	244,700,000

The Committee recommends appropriations totaling $244,700,000 in title V, revolving and management funds, for fiscal year 1990. This is $529,700,000 below the budget estimate and $556,700,000 below the House allowance.

The Department currently requests appropriations in this account only for stock funds. The other revolving and management funds operated by the DOD do not require increases through direct appropriation, relying instead on appropriation in customer accounts.

Stock funds are financial vehicles for the purchase of consumable items, smoothing the impact of procurement lead time and ensuring that stocks are available when the need arises. Most of their funding is derived from appropriations made available in customer accounts, principally under title II, operation and maintenance. Funds are requested under title V for two purposes: (1) acquisition of war reserve stocks; and (2) inventory augmentation.

COMMITTEE RECOMMENDATION

The Committee fully supports the Department's request for $244,700,000 for war reserve stocks. However, the Committee does not approve any appropriations for inventory augmentation. The Committee recommends that the Secretary of Defense reexamine the inventory augmentation program and recommends that such appropriation requests be discontinued in future budget requests.

The Committee has reached the conclusion that additional funding for inventory augmentation is no longer required. First, while the analysis of stock fund requirements for new systems is thorough, there appears to be no similar analysis of the impact of retiring systems on stock fund requirements. Second, the force structure increases of the early 1980's are largely complete. As systems are delivered to the operating forces, enabling them to transition to more modern systems, the funds available in customer accounts will be sufficient. Third, the General Accounting Office has informed the Committee that inventory augmentation appropriations have been misused to increase operating cash in the stock funds.

Stock fund requirements determination.—The Committee is extremely concerned with the difficulty facing the stock fund managers of determining the reduction in demand for consumables as older systems are retired. The services pay close attention to new weapons systems requirements, but continue to allow the inefficient investment of working capital in spare parts and supplies that will never be used. These stocks end up as surplus inventory disposed of by the Defense Logistics Agency, with the taxpayers recovering only a fraction of the funds expended. Far too often, stock fund managers realize that an item is no longer needed when demand disappears and the item remains on the shelf. Thus, over $8,000,000,000 of defense stock inventories is now excess to any known defense requirement. The performance measure the Department uses to determine whether stock funds are well managed is the percent of time that a requested stock fund item can be located and provided from within the stock fund inventory. This measure does not provide incentives to capture dropping demand, nor does it provide disincentives to excess stock, either quantities beyond reasonable requirements or items no longer required. The Secretary of Defense is encouraged to develop performance measures that also reward efficiencies by eliminating unnecessary inventory.

Structure increases and modernization.—Inventory augmentation appropriations were adopted in fiscal year 1983 to reflect the inventory buildup for the force structure increases and modernization of the early 1980's. Stock inventories already have been expanded. Since 1982, the value of stock fund inventories has risen from $26,600,000,000 to approximately $69,000,000,000. During this period, Congress provided over $9,000,000,000 in stock fund augmentation and war reserve appropriations.

The modernization of the Reagan era has largely been completed. F-16 fighters have replaced F-4 fighters, and F/A-18 aircraft have replaced A-4's. Carrier battle groups and Air Force wings are being reduced, not increased. The stock fund procurements of 1987, 1988, and 1989 assumed higher force structure and personnel levels than will be sustained through the 1990's, and thus inventories are likely to be in excess of requirements for quite some time.

Improper use of augmentation appropriations.—Finally, a recent investigation by the General Accounting Office demonstrates that inventory augmentation appropriations are not being used for the purposes for which they were made available. GAO found that the services are using inventory augmentation appropriations as pass-through cash injections to stock funds, and not for procurement of inventory. Once funds are obligated into the stock funds, they are commingled with operating cash and lose identity.

The Committee believes that such cash requirements are already accounted for in the stabilization surcharge included in stock fund rates. Using inventory augmentation for corpus requirements rather than for procuring inventory is a misuse of appropriations.

Recommended war reserve appropriations for each stock funds are as follows:

ARMY STOCK FUND

Appropriations, 1989	$291,900,000
Budget estimate, 1990	107,600,000
House allowance	134,600,000
Committee recommendation	

The Committee recommends no inventory augmentation appropriations for the Army stock fund. No war reserve appropriations were requested. The recommendation is $107,600,000 below the budget estimate and $134,600,000 below the House allowance.

NAVY STOCK FUND

Appropriations, 1989	$184,700,000
Budget estimate, 1990	223,400,000
House allowance	223,400,000
Committee recommendation	40,500,000

The Committee recommends $40,500,000 for war reserve stocks, the budget request level, and no funding for inventory augmentation. The recommendation is $182,900,000 below the budget request and the House allowance.

AIR FORCE STOCK FUND

Appropriations, 1989	$186,900,000
Budget estimate, 1990	339,300,000
House allowance	339,300,000
Committee recommendation	126,100,000

The Committee recommends $126,100,000 for war reserve stocks, the budget request level, and no funding for inventory augmentation. The recommendation is $213,200,000 below the budget request and the House allowance.

DEFENSE STOCK FUND

Appropriations, 1989	$25,000,000
Budget estimate, 1990	104,100,000
House allowance	104,100,000
Committee recommendation	78,100,000

The Committee recommends $78,100,000 for war reserve stocks, the budget request level, and no funding for inventory augmentation. The recommendation is $26,100,000 below the budget request and House allowance.

TITLE VI

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

Appropriations, 1989	$179,500,000
Budget estimate, 1990	311,400,000
House allowance	269,800,000
Committee recommendation	259,355,000

The Committee recommendation supports the Army's revised plan and schedule for the development, construction, and operation of facilities to dispose of existing stocks of unitary chemical munitions, and the proposed retrograde of chemical munitions from NATO.

[In thousands of dollars]

	Fiscal year 1990—			Senate compared to—	
	Budget request	House allowance	Committee recommendation	Budget request	House allowance
Operation and maintenance	171,200	149,100	148,400	−22,800	−700
Procurement	139,100	113,500	82,400	−56,700	−31,100
Research and devleopment	1,100	7,200	1,900	+800	−5,300
Retrograde			26,655	+26,655	+26,655
Total	311,400	269,800	259,355	−52,045	−10,445

The Committee has continued to carefully review the progress of the disassembly/incineration prototype facility, the Johnston Atoll chemical agent disposal system [JACADS]. As noted in the House Appropriations Committee report, the schedule for operational verification testing [OVT] at JACADS has continued to slip, and may be delayed substantially beyond the expected March 1990 start of OVT activities.

The Army, as executive agent for the disposal of chemical munitions, has informed the Committee that delays at JACADS will not allow work to commence at the next three planned disposal sites during fiscal year 1990. Consequently, $53,000,000 of the request for procurement is deferred until fiscal year 1991.

The request assumes the termination of cryofracture research and testing as an alternative to the disassembly/incineration technology currently endorsed by the Department of Defense. This directly contradicts direction provided to the Department of Defense in the fiscal year 1989 defense appropriations conference report.

The Committee has considered correspondence from the Department on continuing study of cyrofracture as another technology option for some of the planned disposal facilities. As the Department has failed to utilize fiscal year 1988 and 1989 appropriations provided for further evaluation and testing of cryofracture, neither the Congress or the Department can make an informed decision on whether cryofracture could meet part of the chemical munitions disposal requirement.

The Committee directs the Department to make available fiscal year 1988 and 1989 funds appropriated for cryofracture to resume testing and study of the cryofracture technology. The Department must definitively demonstrate whether or not the cryofracture technology could be employed in the effort to dispose of existing chemical munitions. This strategy would reserve cryofracture as an option to the Department if additional complications arise at JACADS. The Committee expects the Secretary to submit a plan on how the Department will expend these funds not later than December 1, 1989. The Committee does not agree with the House proposal to include additional funds for cryofracture for 1991.

A separate appropriation is established for the retrograde of chemical munitions from the Federal Republic of Germany. This new appropriation merges all procurement and operation and maintenance funds requested for this program. The House eliminated all funds for the retrograde program.

The Committee is concerned over the pace of the removal schedule for these chemical munitions. No munitions should be transferred or moved to JACADS until the facility can proceed to their destruction, or until adequate space is created in existing storage facilities to accommodate these munitions.

The appropriation prohibits the obligation and expenditure of more than $10,000,000 for the retrograde program until the Secretary of Defense certifies that JACADS has demonstrated the capability to safely destroy live agent chemical rounds. This statement ensures that no additional risk will be posed to the JACADS effort or the personnel on Johnston Atoll through increasing the stockpile without sufficient safe storage facilities.

Spending is also prohibited for construction of additional storage facilities at Johnston Atoll. There is no justification for adding to the storage capacity on Johnston Atoll for the short term accomodation of munitions currently safely stored in the Federal Republic of Germany.

The Committee adds $800,000 to the research and development request to support medical treatment and exposure research requested by the Department.

TITLE VII

DRUG INTERDICTION, DEFENSE

Appropriations, 1989	$300,000,000
Budget estimate, 1990	[1] 132,000,000
House allowance	450,000,000
Committee recommendation	[2] 575,000,000

[1] The President's budget justification states that $450,000,000 for drug interdiction would be provided from within funds in the budget. Only $132,000,000, however, is specifically identified.

[2] In conjunction with drug interdiction funding and demand reduction contained in other titles of the bill, the Committee recommendation funds a total of $1,054,800,000 for Department of Defense drug programs.

The Committee recommends an appropriation of $575,000,000 for the "Drug interdiction, defense" account, an appropriation established by this Committee in fiscal year 1989. In recognition of the importance of drug interdiction to our national security, the Committee has created a separate title in fiscal year 1990. The Committee's recommendation is $575,000,000 above the budget request and $125,000,000 above the House allowance.

OVERVIEW

The Committee supports an enhanced drug interdiction program for 1990. In combination with drug interdiction programs funded elsewhere in the Committee recommendation, the Committee's 1990 recommendations fund $1,054,800,000 in drug interdiction activities. The recommendation includes $125,000,000 to support the President's Andean initiative as announced on September 5, 1989. These interdiction activities, exclusive of adjustments described in a classified annex to this report, are depicted in the following table:

Total drug-related funding in Committee recommendations:

Drug interdiction, defense	$575,000,000
Andean initiative included	(125,000,000)
Support for Coast Guard: Drug interdiction operations—section 9053	300,000,000
Drug interdiction flying and steaming hours, title II	61,800,000
Demand reduction [1]	118,000,000
Total drug interdiction	1,054,800,000

[1] The Committee recommendation finances $118,000,000 in programs for demand reduction in other titles. Included are such programs as education, counseling, testing, and treatment.

The Department of Defense has improved its organization and programs to fight the war on drugs. It has been less than 1 year since the fiscal year 1989 Defense Authorization and Appropriations Acts tasked the Department of Defense with a drug interdiction mission and provided funding for the mission. During this period, the Department established two drug interdiction military task forces, joint task force 4 and 5, on the Atlantic and Pacific coasts. These task forces ensure coordination with appropriate commanders in chief [CINC's] and provide an effective means to bring the Department's resources to bear in the war on drugs.

The Department's use of fiscal year 1989 appropriations to provide these task forces with secure processing and dissemination of information and intelligence will improve the Department's role as the lead agency for aerial and maritime monitoring and surveillance. Further, if coordinated properly, this capability will enhance the ability of Federal agencies tasked with actual interdiction and apprehension—the Coast Guard, Customs Service and Department of Justice—to intercept and apprehend drug smugglers.

The Committee also approves the Department's use of appropriations to establish an integrated grid of land-based, sea-based, semisubmersible, and mobile radars to close gaps in the radar coverage on the gulf coast and in the Caribbean. And, the creation of State plans to use the National Guard to assist State and local law enforcement with drug interdiction activities has contributed immeasurably. The Committee does believe, however, that the Guard's efforts should be better coordinated and integrated with the activities of the joint task forces.

While the Committee believes organizational improvements have been made, attitudinal changes may take more time. Too many military commanders still regard drug interdiction as an ancillary activity that detracts from other, more important defense missions. The Secretary and the Chairman of the Joint Chiefs of Staff need to ensure that military commanders understand that protecting America's borders from the importation of illegal narcotics is an important defense mission, not a temporary assignment by the Congress.

FISCAL YEAR 1990 DRUG INTERDICTION DEFENSE PROGRAM

The Committee appropriates $575,000,000 to be used as follows:

Allocation of fiscal year 1990 "Drug interdiction, defense" account

National Guard personnel and operations	$70,000,000
Drug interdiction procurement	307,000,000
National Guard procurement	(40,000,000)
Aerostats, Caribbean radars, SOUTHCOM C^{3}I initiative, et cetera	(142,000,000)
Andean Initiative	(125,000,000)
Drug interdiction operation and maintenance	165,000,000
Civil Air Patrol	(1,000,000)
Drug interdiction research and development	28,000,000
Construction	5,000,000
Total "Drug interdiction, defense" account	575,000,000

Andean initiative.—The President has committed the United States to assisting the Governments of Colombia, Bolivia, and Peru with eliminating the production of illegal narcotics, and with protecting court and other Government officials from violent attacks by the drug cartels. On September 5, 1989, the President submitted a budget amendment providing $125,000,000 to support this effort to stop the shipment of illegal drugs at their source.

The Committee strongly supports the President in this Andean initiative and has recommended the requested bill language. This language allows the funds to be obligated by or transferred to the

Department of State from within the total amounts for drug interdiction, procurement, other than that specifically for the National Guard.

National Guard equipment.—Congress has addressed the personnel and operational funding requirements necessary for supporting the National Guard specific drug interdiction activities. However, Congress has not provided the Guard with the equipment to perform this mission.

The Committee recommends setting aside $40,000,000 of procurement funds for drug interdiction equipment needed by the National Guard. The Committee believes that these funds should be used for: (1) procurement of forward looking infrared radar [FLIR] to be used on Army National Guard helicopters to assist local law enforcement agencies with night searches for suspects ($6,600,000); (2) acquisition of four AN/TPS-70 mobile radars for use by Air National Guard radar warning units to detect drug smugglers ($30,000,000) through both State and offshore deployments; and, (3) procurement of communications equipment for the National Guard to allow interoperability and secure communications with local law enforcement agencies ($3,400,000). Ironically, the Department has used fiscal year 1989 appropriations to procure such communications equipment for Federal law enforcement agencies, but not for the National Guard.

General procurement.—The Committee has provided $267,000,000 for procurement of drug interdiction assets. The program should consider such acquisitions as completing the Aerostat based radar network along the gulf coast, extension and remoting of the Caribbean radar network, secure communications equipment, and command, control, and intelligence upgrades.

Research and development.—The Committee recommends that $20,000,000 of the funds available be used to support drug interdiction research and development activities of the Defense Advanced Research Projects Agency.

Interagency coordination.—The Department of Defense drug interdiction monitoring and surveillance activities will have little impact on the war against drugs if other Federal agencies charged with actual interdiction and arrest are not able to receive information in a manner that is compatible and timely. The Committee is concerned that the definition of Federal agency roles and missions is unclear, and the level of interoperability between domestic agency command and control systems (such as the Federal C^3I Drug Interdiction Center at Richmond Heights, FL) and defense command and control systems has not been addressed.

The need for interoperability, rationalization, and the integration of command and control of U.S. forces in Europe with NATO allies has long been recognized by the Department of Defense. Similarly, the war against drugs cannot be fought effectively unless the Department of Defense adopts these same interoperability principles in its interaction with other Federal agencies.

Obviously, this is an area that should be addressed by the President's drug czar. However, to the extent practicable, the Secretary of Defense should take the initiative and use appropriations under this title, if necessary, to ensure the interoperability of command, control, and information systems. Additional direction from the Comittee in this respect is contained in a classified annex to this report.

JOINT DEFENSE AND COAST GUARD DRUG INTERDICTION

In the war on drugs, the Coast Guard is literally the fifth military service. The Coast Guard and Department of Defense drug interdiction activities are inseparable. Drug interdiction pulses (groups of ships on interdiction patrols in the Caribbean and Atlantic) are made up of both Coast Guard and Navy ships. Drug interdiction missions off the Bahamas or the Cay Sal Bank usually include a mix of Coast Guard and Navy or Air Force aircraft and both Coast Guard cutters and Navy ships or occasionally Navy PHM hydrofoils. Coast Guard legal detachments or LEDETS serve aboard Navy ships to board and search suspicious vessels.

Most of all, the close, interrelated nature of Coast Guard and Defense Department drug interdiction operations are evidenced by the fact that the two defense joint task forces are headed by Coast Guard vice admirals. The task forces are staffed by both defense and Coast Guard personnel.

Coast Guard unique equipment complements Navy and Air Force capabilities and Defense weapons systems complement Coast Guard units. For example, the Coast Guard operates smaller patrol, aerostat, and surface effects vessels that can perform many drug interdiction missions at a fraction of the cost of a Navy combatant. On the other hand, the Navy and Air Force possess ships and aircraft with sophisticated combat systems that are necessary for some types of interdiction missions, especially aerial surveillance. It would not be cost effective for the Coast Guard to acquire such systems.

The Committee applauds this joint, combined forces approach. The Committee wants this complementary relationship to continue. Section 9053 makes $300,000,000 in funds available within the bill to help finance continuation of the Coast Guard's drug interdiction operations.

INTERDICTION FLYING AND STEAMING HOURS

For several years, the Department of Defense has reported the cost of drug interdiction flying and steaming hours funded within operation and maintenance to be $100,000,000. The Committee has learned, however, that these estimates were based on special, inflated rates that included such costs as military personnel. Based on an analysis of 1988 actual hours flown and days steamed, and using the Department of Defense's 1990 flying hour and steaming day rates, the Committee estimates that the Department will provide $26,200,000 in flying hours and $35,600,000 in steaming days in addition to the $575,000,000 funded in drug interdiction, defense.

The Department is now determining the appropriate way to account for drug interdiction flying and steaming hour costs in 1990. The Committee believes that it is inappropriate to continue to assume special rates for drug interdiction flying and steaming hours. These operations are in support of a valid defense mission, and should not be priced at inflated rates.

FUTURE DRUG INTERDICTION BUDGET REQUESTS

The President's budget specifically requests only $132,000,000 of the $450,000,000 reported to be in the budget for drug interdiction. $318,000,000 is requested for other programs that, presumably, the Department of Defense would terminate or reduce to make resources available for drug interdiction.

The Committee recommendation makes the necessary reductions that allow drug interdiction funding available. To maintain visibility for drug interdiction, the Committee has continued the special drug interdiction, defense appropriation that the budget proposed to terminate.

The Committee believes that all resources requested as drug interdiction should be specifically identified, by line item, program element or budget activity, in budget submissions. It is not acceptable to simply state that funding for drug interdiction or demand reduction is included somewhere in the overall defense budget.

The Committee looks forward to the Department's fiscal year 1991 budget. The next budget request will indicate the President's level of commitment to Department of Defense drug interdiction activities.

TITLE VIII

RELATED AGENCIES

PAYMENT TO THE CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

Appropriations, 1989	$144,500,000
Budget estimate, 1990	154,900,000
House allowance	154,900,000
Committee recommendation	154,900,000

The Committee recommends an appropriation of $154,900,000 for the payment to the Central Intelligence Agency retirement and disability system fund. The Committee recommendation concurs in the budget estimate and in the House allowance. It is an increase of $10,400,000 over the fiscal year 1989 appropriation.

Central Intelligence Agency Retirement Act of 1964 for Certain Employees (Public Law 88-643, October 3, 1964) authorized the establishment of a Central Intelligence Agency retirement and disability system for a limited number of Agency employees and authorized the establishment and maintenance of a fund from which benefits would be paid to qualified beneficiaries. The fund finances the cost of: (1) interest on the unfunded liability, (2) annuities attributable to credit allowed for military services, (3) benefits not met by employee/employer contributions, and (4) the increase in unfunded liability resulting from liberalized benefits and Federal pay raises.

The benefits structure of this fund is similar to that of the civil service retirement system.

INTELLIGENCE COMMUNITY STAFF

Appropriations, 1989	$23,645,000
Budget estimate, 1990	24,100,000
House allowance	28,400,000
Committee recommendation	25,068,000

The Committee recommends an appropriation of $25,068,000 which is the same as the budget estimate and $3,332,000 below the House allowance. Details of this recommendation are contained in the classified annex to this report.

MILDRED AND CLAUDE PEPPER FOUNDATION

Appropriations, 1989	
Budget estimate, 1990	
House allowance	$10,000,000
Committee recommendation	10,000,000

The Committee recommends an appropriation of $10,000,000. This funding is $10,000,000 above the budget estimate and consistent with the House allowance.

These funds will provide a grant to the Mildred and Claude Pepper Foundation, a charitable foundation, to establish an entity dedicated to making advances in the area of gerontology and aging research.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill "which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

At the point when the Committee reports this measure, the conference on the Fiscal Year 1990 Defense Authorization Act is nearing completion. As a consequence, the Committee has acted in good faith in its attempt to comply fully with requirements stipulated under paragraph 7, rule XVI.

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

With respect to this bill, in accordance with the rules of the Senate, it is the opinion of the Committee that it is necessary to dispense with these requirements in order to expedite the business of the Senate.

TITLE IX

GENERAL PROVISIONS

In addition to provisions which have been discussed elsewhere in the report, the Committee recommends the following changes in the general provisions under title VIII of the accompanying bill:

The Committee's recommendation supports the House action in deleting the following general provisions (the numbers are from the fiscal year 1989 appropriations act): 8007, 8012, 8013, 8020, 8022, 8024, 8032, 8033, 8034, 8037, 8043, 8044, 8047, 8053, 8054, 8055, 8058, 8062, 8063, 8066, 8071, 8072, 8075, 8076, 8093, 8096, 8098, 8100, 8102, 8103, 8104, 8105, 8109, 8111, 8113, 8114, 8116, 8118, 8119, 8124, 8125, 8126, 8127, 8128, 8130, 8131, 8132, 8135, 8139, 8140, 8141, 8143, and 8144.

The Committee's recommendation also supports House action on the following provisions retained from the fiscal year 1989 appropriations act (where the section numbers are different, the House's number appears in parentheses):

9001—Publicity/propaganda limitation;
9002—Employment of experts and consultants;
9004—Small/minority-owned businesses;
9005—Obligation rate of appropriations;
9006—Proficiency flying limitation;
9007—20 percent obligation, last 2 months of fiscal year;
9008—Reciprocal international real property;
9010—Civilian uniform allowance;
9011—Transfer authority;
9014—Special access programs notification;
9015—Reprogramming instructions;
9016—CHAMPUS—80 percent of customary charge;
9017—Free assets—special defense acquisition fund;
9018—CIA availability of funds;
9019—Contracts to recover indebtedness;
9020—Medical care—foreign military/diplomats;
9022—Reprogrammings—CIA/special activities;
9023 (9025)—Leasing of aircraft/vehicles;
9024 (9026)—Lobbying;
9025 (9027)—Technician, member of unit;
9026 (9028)—Cats and dogs, wound research;
9027 (9029)—Floating storage of petroleum;
9028 (9030)—Feral burros/horses;
9030 (9032)—Technician, 60-year;
9031 (9033)—Health demonstration project;
9033 (9035)—Tuition assistance, Ready Reserve;
9035 (9038)—Debris removal;
9036 (9040)—ADP limitation/CHCS system;

9037 (9041)—CIA reserve for contingencies;
9038 (9042)—CIA, small construction projects;
9039 (9043)—Auxiliary minesweepers;
9042 (9046)—Program, project, activity;
9043 (9048)—Fixed price practices;
9044 (9049)—Army intelligence activities;
9048 (9054)—Nicaraguan democratic resistance;
9049 (9055)—LANDSAT/SPOT;
9050 (9056)—ATA/ATF;
9051 (9057)—Pay raise absorption/pay reduction;
9052 (9058)—CHAMPUS—active duty;
9053 (9059)—Coast Guard;
9055 (9061)—PAN carbon fiber; and
9057 (9063)—DRG exemption.

SEC. 9003. *Compensation/employment of foreign nationals.*—The Committee recommends an amendment to the House provision that allows the Department of Defense to hire foreign nationals. The Committee language requires that pay raises for these individuals be no greater than the rate of increase given to U.S. civilians or the rate of increase given to host nation employees by the host nation government in question.

SEC. 9009. *Buy American/Maybank/specialty metals.*—The Committee does not agree with the House amendments to this provision. In addition, the Committee has amended it to include an administration request to allow the commander in chief of the Pacific to authorize purchases of articles or items grown, reprocessed, reused or produced in the Philippines, if such purchases are made in or for use in his area of responsibility. It is further the intention of the Committee that the exception for small purchases under $25,000 shall not apply to FSG–51 and FSG–52 (hand or measuring tools) articles.

SEC. 9012. *Working capital fund cash disbursements.*—The Committee does not agree with the House proposal to make permanent language governing working capital fund cash balances.

SEC. 9013. *Coal or coke from foreign nations.*—The House has consolidated provisions on coal from the Fiscal Year 1989 Defense Appropriations Act into one provision. The House language would: (1) Prohibit the purchase of coal or coke from foreign nations for use at United States military facilities in Europe when United States coal is available; (2) prohibit the conversion of heating plants in Europe from coal to oil or natural gas; and (3) prohibit the conversion of heating facilities in Europe to direct heat, direct natural gas or other sources of fuel. The Committee agrees with the House's action on section (a) related to the purchase of foreign coal or coke when U.S. coal is available. The Committee has amended sections (b) and (c) to permit conversions in Europe only if they are cost effective.

AGR ceiling/technician floor.—The Committee does not agree with the House language that sets ceilings on active duty Guardsmen and sets floors on civilian technicians. (House section 9023.)

Civilian personnel ceilings.—The Committee disagrees with House language that limits the Congress' ability to control Defense civilian personnel levels and prohibits the budget from providing data regarding civilian employee personnel levels. (House section 9024.)

SEC. 9021. *Multiyear procurement contracting.*—The Committee does not agree with the budget proposal to delete this provision. The Committee continues the annual provision which outlines the required justification for approval of multiyear procurement contracts and also lists the programs which the Committee approves for this fiscal year.

SEC. 9029. *Humanitarian and civic assistance.*—The Committee has amended this provision to allow Tripler Army Medical Center to provide medical service, on a nonreimbursable basis, and to pay transportation costs for not more than 250 selected civilian patients from specified islands in the Pacific region. (House section 9031.)

SEC. 9032. *Education benefits/enlistment bonus.*—The Committee agrees with the House in consolidating sections 8057, 8080, and 8081 (section numbers taken from the fiscal year 1989 bill) into one provision. The Committee has amended the consolidated provision to allow the Army to continue its 15-month test of the so-called 2+2+4 program, which was first approved in the fiscal year 1989 supplemental appropriations bill, and to relieve the Army of the obligation to make a payment in fiscal year 1990 to the defense educational benefits fund on behalf of the Army college fund. (House section 9034.)

SEC. 9034. *Cost-effective study contracting out.*—The House language prohibits contracting out defense activities with more than 10 employees without a most efficient and most cost-effective organization study unless the gaining non-Government organization is covered under the Javits, Wagner, O'Day Act or is a nonprofit agency for the severely handicapped or blind. The Committee accepts the House exemptions but recommends adding firms owned by Native Americans to the list of exemptions. (House section 9036.)

120 mm mortars/ammunition manufactured outside the United States.—The Committee recommends deletion of the House provision related to procurement of 120 mm mortars and ammunition manufactured outside the United States. (House section 9037.)

Army depot limitation.—The Committee does not agree with House language setting floors on the number of civilian employees at Army depots. The House bill contains language that prohibits civilian personnel being managed on the basis of end strength ceilings, but then also contains language mandating civilian personnel end strength floors. (House section 9039.)

SEC. 9040. *CRI funding limitation.*—The Committee agrees with the House in retaining a funding limitation on the CHAMPUS reform initiative. In addition, the Committee has also recommended retention of an exemption from Hawaii taxes under specified circumstances. (House section 9044.)

Supercomputers.—The Committee does not agree with the House in retaining this provision and has recommended its deletion. (House section 9045.)

SEC. 9041. *SDI guidelines.*—The Committee does not agree with the House in deleting this provision and has recommended its retention.

Reserve component automation system.—The Committee does not agree with the House in retaining and amending this provision and has recommended its deletion. (House section 9047.)

Sec. 9045. *Classified military projects in the United States.*—The Committee has recommended a modest reduction in the availability of funds for classified construction projects to reflect programmatic adjustments described in the classified annex to this report. (House section 9050.)

Anchor chains.—The Committee does not agree with the House in retaining this provision and has recommended its deletion. (House section 9051.)

Sec. 9046. *Technicians reprogramming.*—The Committee agrees with the House in retaining this provision. In addition, the Committee has amended it to protect medical personnel and programs from sequester. (House section 9052.)

Sec. 9047. *Interport differential.*—The Committee has amended the House language regarding prohibition of interport differential on ships repaired on the west coast. This prohibition should pertain to ships homeported on the west coast. (House section 9053.)

Sec. 9053. *Coast Guard.*—The Committee agrees with the House provision that provides $140,000,000 in in-kind support and $160,000,000 in cash to support the U.S. Coast Guard. As noted in the Committee's drug interdiction section to this report, title VII, the Coast Guard should use the $300,000,000 to continue high priority drug interdiction missions. (House section 9059.)

Sec. 9054. *Transfer from stock funds.*—The Committee has amended the House language regarding working capital fund refunds. These refunds are necessary due to Committee policy changes and the Department's stabilized rate policy. The House made transfers mandatory. The Committee allows the Secretary of Defense more flexibility and permits such transfers. (House section 9060.)

Sec. 9056. *INF treaty reimburseable expenses.*—The Committee agrees with the House in retaining this provision and has amended it to allow reimbursement to military personnel for reasonable costs of subsistence when these personnel are accompanying Soviet inspection team members engaged in activities under the INF Treaty. The Committee wishes to make clear that the military personnel must actually be in attendance on the Soviet inspection team members in order to be eligible for this reimbursement. (House section 9062.)

Sec. 9058. *Consulting services reduction.*—The President's budget submission requests the deletion of this provision which reduces the overall Department of Defense budget by $150,000,000 to reflect savings from the decreased use of outside consulting services. The House included this provision within their fiscal year 1990 bill and again reduced the Department's overall budget by $150,000,000 in fiscal year 1990. The Committee recommends a general reduction of $75,000,000 which reflects its expectation that further savings should accrue to the Department as the use of consultants declines. (House section 9064.)

Sec. 9059. *POW/MIA family travel.*—The Committee agrees with the House in providing transportation for next-of-kin of individuals who have been prisoners of war or are missing in action to an annual meeting in the United States. (House section 9065.)

SEC. 9060. *Hamilton cleanup.*—The Committee agrees with the House in its new provision regarding cleanup of hazardous waste at Hamilton AFB, CA. (House section 9066.)

SE bombing range.—The Committee has not agreed with House proposed language that would restrict the environmental impact study on the southeast weapons range. (House section 9067.)

SEC. 9061. *Federal funds for projects.*—The Committee does not agree with the House in deleting this provision and has recommended its retention.

Navy TARS.—The Committee has recommended deletion of the House provision relative to Navy TARS. (House section 9068.)

Night vision devices.—The Committee has recommended deletion of a new House provision relative to offshore procurement of night vision image intensifier tubes and devices. (House section 9069.)

MIRACL laser.—The Committee objects to the House's proposed language about restricting the testing of the midinfrared advanced chemical laser [MIRACL] transmitter and associated optics against an object in space unless such testing is specifically authorized and appropriated by law. The language is both unnecessary and it is obstructive of a prudent, measured program of research, development, test and evaluation of U.S. antisatellite [ASAT] capabilities.

The language is unnecessary because the Congress has been informed that no tests against an object in space are planned with the MIRACL device in fiscal year 1990. In addition, Congress' ample ability to regulate MIRACL testing already exists through the normal exercise of congressional decisionmaking authority during the annual Defense budget appropriations process.

The language is obstructive because, to be meaningful and worth the taxpayers' money, an ASAT program should be focussed toward developing capabilities which can be verified through realistic testing. Such a program can be structured which properly balances arms control considerations with deterrent and military objectives. (House section 9070.)

SEC. 9062. *B-1B ALQ-161A.*—The Committee disagrees with the House's recommended language regulating the use of funds for the CORE program to fix the B-1B bomber's ALQ-161A electronic countermeasures system. The Committee recommends alternative language to prevent the use of any funds available to the Defense Department from expired appropriations and M account balances until 30 days after the Secretary of Defense notifies the appropriate congressional committees of Congress of the Department's intention to use such funds for such purposes. (House section 9071.)

SEC. 9063. *Fluidtronics technology, fiscal year 1989.*—The Committee agrees with the new House provision concerning advanced ground vehicle technology known as fluidtronics. (House section 9072.)

Multibeam sonar mapping systems.—The Committee recommends deletion of a new House provision prohibiting procurement of multibeam sonar mapping systems not produced in the United States. (House section 9073.)

Outlay ceiling.—The Committee recommends deletion of a new House provision setting an outlay ceiling on the Department of Defense. (House section 9074.)

Land transfer, Fort Spelling.—The Committee recommends deletion of the new House provision concerning release of Army land to the State of Minnesota. (House section 9075.)

SCN fund availability.—The Committee has recommended deletion of the new House provision on the availability for obligation of $100,000,000 in shipbuilding and conversion, Navy, 1989. (House section 9076.)

SEC. 9064. *Horses and burros/White Sands.*—The Committee agrees with the new House provision transferring wild horses and burros from White Sands Missile Range to the Secretary of the Interior. (House section 9077.)

SEC. 9065. *Employment impact reports.*—The Committee agrees with the new House provision on employment impact reports. (House section 9078.)

SEC. 9066. *Obligations in anticipation of appropriations.*—The Committee recommends a provision not in the House bill which could be needed in the event of a short-term continuing resolution.

SEC. 9067. *Unsolicited proposals/consulting contracts.*—The budget request proposes to retain this annual provision which covers funds appropriated for contracts for studies, analyses, or consulting services entered into without competition on the basis of unsolicited proposals. The House proposes to delete this provision, providing no rationale for its decision. The Committee does not agree with the House position and retains the annual provision.

SEC. 9068. *Second career training program.*—The House recommends deletion of this provision which prohibits use of appropriated funds for the second career training program authorized by Public Law 96-347. The Committee does not agree with the House and has amended the provision to make it permanent.

SEC. 9069. *Demilitarization of surplus firearms.*—The budget request proposes to retain this annual provision which prohibits the obligation of any funds by the Department to demilitarize surplus nonautomatic military firearms. The House proposes to delete this provision, providing no justification for its position. The Committee supports the Department's position on this prohibition and recommends retaining the provision in this year's bill.

SEC. 9070. *18-month limitation on leases.*—The Committee has not agreed with the House proposal to delete the requirement for reprogramming approval before leases over 18 months are entered into by the Department of Defense. Such leases commit the Government to future obligations without appropriations. These agreements should only be accepted when fully justified.

SEC. 9071. *Civil Air Patrol.*— The Committee recommends a provision not recommended by the House which allocates $5,700,000 of funds provided in this act for the Civil Air Patrol.

SEC. 9072. *Selective reenlistment bonus.*—The Committee does not agree with the House in deleting this provision and has recommended its retention.

SEC. 9073. *DOD productivity award.*—The Committee recommends restoring language that allows Defense employees to receive paid administrative time off in lieu of cash as compensation for productivity.

SEC. 9074. *Machine tools.*—The Committee does not agree with the budget request or the House action to delete language which requires the Department of Defense to procure only from U.S. sources certain Federal supply classes [FSC's] of machine tools for use in any Government-owned facility or property under the Department's control.

SEC. 9075. *Supervisor's grade, DLA.*—The Committee recommends restoring language that prohibits a supervisor's grade to be determined by the number of employees supervised. The recommended language extends this authority to the Department of Defense rather than limiting this flexibility to simply the Defense Logistics Agency.

Productivity savings and greater efficiency often result in fewer jobs to perform an activity. If supervisor grades are determined on the basis of how many positions are managed, as is often the case at Defense industrial and supply activities, then supervisors may be less than supportive of needed productivity improvements. The Committee language ensures that a major productivity disincentive is eliminated.

The Committee, however, cautions the Department of Defense that this provision is not to be misused to provide unwarranted grade increases. If it is used as such, the language will not be continued in future Defense appropriations bills.

SEC. 9076. *Naval aviation depots.*—The Committee has restored language that allows naval aviation depots to compete on modification and manufacturing workloads. It is necessary to retain this language as a general provision, because it pertains to more than one Navy appropriation account.

SEC. 9077. *Toshiba/commissaries/exchanges.*—The Committee does not agree with the budget request or the House proposal to delete this provision from the bill. The Committee recommends retaining and amending the current provision to make this act consistent with the Trade and Competitiveness Act of 1988.

SEC. 9078. *Bonus—nurses.*—The Committee does not agree with the House in deleting this provision which allows for the payment of bonuses to nurse anesthetists, if authorized, and recommends its retention. The Committee has amended the provision to allow the use of $3,000,000 in funds appropriated in the fiscal year 1990 Defense Appropriations Act to pay the bonuses.

SEC. 9079. *Overseas work-years.*—The Committee has restored language that limits the number of Defense foreign national direct and indirect, and direct hire civilian employees overseas. The Committee has adjusted the limitation to account for reductions related to the intermediate nuclear forces treaty.

SEC. 9080. *EMPRESS.*—The Committee does not agree with the House in deleting this provision and has recommended its retention.

SEC. 9081. *Local hire.*—The Committee has restored bill language that governs Defense contractor hiring in States with unemployment exceeding the national rate of unemployment.

SEC. 9082. *Unemployment compensation ceiling.*—The Committee restores language limiting unemployment compensation.

SEC. 9083. *Alcoholic beverages.*—The Committee restores language regarding appropriated fund support for alcoholic beverages in noncontiguous States.

SEC. 9084. *Transfers.*—The Committee recommends a new provision to transfer funds from prior-year shipbuilding programs to reallocate funds from ship construction programs with cost savings to those which are currently underfunded.

SEC. 9085. *DOD employee and contractor travel.*—The Committee does not agree with the budget request or the House recommendation to delete this general provision. The Committee recommends including the provision which directs the Department of Defense to continue increasing the use of discount air fares for Government employees on official business and contractor personnel traveling in connection with the performance of cost reimbursable contracts.

SEC. 9086. *Graduate fellowship.*—The Committee recommends retention of this provision (which was deleted by the House), with minor modifications, to continue funding for the Educational Fellowship Program begun last year. The bill language would provide $10,500,000 for fiscal year 1990 from within funds appropriated for the University Research Initiatives Program in the Defense Agencies and for the Defense Research Sciences Program under title IV [RDT&E] of the bill. Recommended report language makes funding subject to terms and conditions expressed in the fiscal year 1989 conference report statement of managers.

SEC. 9087. *Ammunition sales.*—The Committee has included language to allow U.S. ammunition manufacturers to sell ammunition components to foreign ammunition manufacturers. This provision will enhance NATO cooperation and help maintain a more healthy base of U.S. ammunition production capability.

SEC. 9088. *Depot maintenance competition.*—The Committee has included language allowing the Secretary of Defense to conduct public/private competitions for depot maintenance workload. Currently, the Navy is the only service conducting such competitions.

SEC. 9089. *Printing and reproduction.*—The Committee has included a new provision that requires the Department of Defense to print the full cost of labor, material, printing, distribution and other costs entailed in the production of Defense reports and publications. The Secretary of Defense initiative to display the full cost of preparing reports should be expanded to include all defense reports, not only those prepared at the request of the legislative branch.

SEC. 9090. *CHAMPUS demonstration project.*—The Committee has included a new provision which will limit the costs of a chiropractic demonstration project to no more than $1,000,000.

SEC. 9091. *Peer review organization.*—The Committee has included a new provision relating to peer review of military medical practice.

SEC. 9092. *Global positioning system.*—The global positioning system [GPS] is a DOD-developed, worldwide, satellite-based radionavigation system that will be the DOD's primary radio navigation system well into the next century. The constellation will ultimately consist of 24 operational satellites (21 plus 3 operating spares). The GPS constellation will be declared fully operational by DOD when 21 satellites are functioning in their assigned orbits, planned to occur in 1992. The GPS precise positioning service [PPS], the service that requires the use of cryptographic keys, will be primarily limited to military and official Government users. The GPS standard positioning service [SPS] will be made continuously available, without charge to all users worldwide, and will provide 100 meters (2 drms) or better positioning accuracy. Because of national security considerations, the PPS will be restricted to U.S. Armed Forces, U.S. Federal agencies, and selected allied armed forces and governments. While GPS/PPS has been designed primarily for military radionavigation needs, it will nevertheless be made available on a very selective basis to U.S. and foreign private sector (nongovernmental) civic organizations. Access determinations will be made by the Government on a case-by-case evaluation that: (1) Access is in the U.S. national interest; (2) there are no other means reasonably available to the civil user to obtain a capability equivalent to that provided by GPS/PPS; and (3) security requirements can be met.

The GPS/SPS is a standard specified level of positioning, velocity and timing accuracy that is available, without qualification and/or restrictions, to any user on a continuous worldwide basis. Present DOD policy provides that a predictable accuracy of 100 meters (2 drms) or better horizontally and 156 meters (2 sigma) vertically will be made available from the beginning of full GPS operation. The Committee intends that the Department should not compete with civil interests for accuracies greater than that provided by the basic SPS and is, therefore, directed to take whatever actions are appropriate to prevent the GPS from competing with existing civil systems that provide accuracies greater than the SPS accuracies as defined in current DOD policy.

SEC. 9093. *Coordination of benefits.*—The Committee has included a new provision which will allow the Department of Defense to modify existing fiscal intermediary contracts to collect from third-party payers for treatment in military hospitals.

SEC. 9094. *Land sales.*—The Committee has included a new provision allowing the use of GSA bidding credits in the purchase of Federal surplus property.

SEC. 9095. *Incentive payments under Indian Financing Act.*—The Committee has included a new provision which earmarks $8,000,000, drawn pro rata from each procurement account, to make incentive payments to DOD contractors pursuant to section 504 of the Indian Financing Act Amendments of 1988. That provision authorizes incentive payments to prime contractors of 5 percent of the amount paid or to be paid to a subcontractor or supplier which is an Indian organization or an Indian-owned economic enterprise as defined in the Indian Financing Act. To ensure that the earmarked funds for these incentive payments achieve the intended purpose of increasing defense procurement opportunities for Indian entities, section 9095 directs the Secretary of Defense to promulgate within 90 days implementing regulations so as to: (1) Allow a prime contractor to seek reimbursement for an amount equal to the difference between the lowest bid and the price paid to an eligible Indian subcontractor or supplier on each contract line item, provided that the total additional compensation does not exceed 5 percent of the total amount paid for all such contract line items purchased from the same Indian subcontractor or supplier;

(2) target incentive payments to contractors which file a subcontracting plan required by the Small Business Act for Federal contracts over $500,000; (3) define eligible Indian subcontractor or supplier as an Indian organization or Indian-owned economic enterprise as those terms are defined in 25 U.S.C., sections 1452 (e) and (f); and (4) establish an annual review of this incentive program to assess its effectiveness and recommend the appropriate funding level necessary to cover incentive payments in subsequent fiscal years. The Committee directs the Department of Defense to consider, as a prime candidate for application of these funds, the Soldier/Marine Enhancement Program discussed in the RDT&E, Army, section of this report.

SEC. 9096. *Fair pricing.*—The Committee includes a new provision which incorporates a DOD legislative initiative to reduce the cost of defense sales items to foreign customers. The initiative would reduce certain charges to foreign military sales [FMS] customers, especially grant assistance customers. Foregone offsetting proprietary receipts would amount to $156,000,000 in fiscal year 1990.

SEC. 9097. *Civilian pay raise.*—The Committee recommends providing additional funding required to fully fund the authorized 3.6-percent pay raise.

SEC. 9098. *Security at Kwajalein Test Range.*—In a new provision, the Committee directs that a total of $7,500,000 ($5,000,000 from Air Force RDT&E and $2,500,000 from Army RDT&E) be reallocated to improve security at the Kwajalein Test Range. The Committee directs that, before these funds are obligated, the Air Force and Army identify in advance to the Appropriations Committees the sources of the funds to be reallocated and the specific purposes for which the funds will be used.

SEC. 9099. *Strategic materials research and development grants.*—The Committee has included a new general provision, which provides that $37,552,000 of the funds made available for defense research, development, test, and evaluation shall be allocated for grants for strategic materials research, facilities, equipment, and related activities at the following institutions of higher education, and in the amounts specified: (1) University of Utah, $8,900,000; (2) University of Hawaii at Manoa, $6,000,000; (3) Michigan Technological University, Houghton, MI, $5,000,000; (4) University of Texas at El Paso, $4,152,000; (5) University of Idaho, $4,000,000; (6) Loyola College of Maryland, $3,500,000; (7) Rochester Institute of Technology, Rochester, NY, $3,000,000; and (8) University of Maryland, College Park, MD, $3,000,000.

The grant funds would be provided through the national defense stockpile transaction fund.

Award of each grant is to occur within 90 days after the enactment of the Fiscal Year 1990 Defense Appropriations Act, provided that, within 60 days after enactment, the Secretary of Defense reports to Congress an evaluation whether the grant supports the objectives established by the Strategic and Critical Materials Stock Piling Act, as amended. The provision directs that the report be submitted to the Committees on Appropriations and Armed Services of the Senate and House of Representatives.

The general provision further provides that no funds shall be obligated for these grant awards until 30 days after the Committees receive and approve the Secretary's report.

The Committee notes that the grants allocated for the Universities of Utah, Hawaii, Idaho, and Texas at El Paso, and for Loyola College of Maryland, are to fund already ongoing projects funded in previous years through the stockpile transaction fund.

This fund was used as a mechanism to provide grants for strategic materials research activities, including purchase of sophisticated equipment and construction of facilities, when it was administered by the General Services Administration.

Responsibility for the transaction fund was transferred to the Defense Department by Executive order in 1988, and administration of it has been assigned to the Defense Logistics Agency. Under the Executive order, President Ronald Reagan specifically delegated mineral-related research and development functions to the Secretary of the Interior, and agriculture commodity-related research and development functions to the Secretary of Agriculture. The Committee understands that discussions within the executive branch to transfer these research and development responsibilities to the Secretary of Defense have not resulted in such a reassignment.

Since the jurisdiction for congressional oversight of the fund also has changed, the Committee further believes a reassessment of its use as a source of university research grants is appropriate. The Committee reserves judgment on such use, and on the merits on any particular grant request. However, the Committee requests the Secretary of Defense to submit, within 60 days after the enactment of the fiscal year 1990 appropriations act, a report addressing the following issues:

One, the extent to which each ongoing, and proposed new, grant duplicates research already sponsored by the Departments of the Interior and Agriculture under the Strategic and Critical Materials Stock Piling Act;

Two, the validity of each ongoing project and proposed new project with respect to its contribution to meeting the objectives of the Stock Piling Act;

Three, the impact of not funding continuation of ongoing projects and initiation of the proposed new projects, including, in each case, whether useful or valuable research results would be lost or not obtained;

Four, the executive branch's position on the desirability of funding ongoing or new projects through alternative mechanisms;

Five, the need to increase executive branch oversight of each ongoing or proposed new project, such as by periodic reviews or by assessments at the conclusion of Federal funding, and how such increased oversight might be accomplished.

REQUESTED GENERAL PROVISIONS

The administration requests three new general provisions on the National Aerospace Plane, base closures, and the "Foreign currency fluctuation" account. These administration requests are not included in the General Provision section of the bill. The Committee's recommendations are discussed in relevant sections of this report.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1990

[Amounts in dollars]

Item (1)	1989 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −) 1989 appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE I							
MILITARY PERSONNEL							
Military Personnel, Army	24,484,745,000	24,704,300,000	24,610,000,000	24,558,217,000	+73,472,000	-146,083,000	-51,783,000
Military Personnel, Navy	18,962,456,000	19,337,400,000	19,363,300,000	19,290,816,000	+328,360,000	-46,584,000	-72,484,000
Military Personnel, Marine Corps	5,716,200,000	5,806,100,000	5,813,800,000	5,800,200,000	+84,000,000	-5,900,000	-13,600,000
Military Personnel, Air Force	20,102,603,000	20,224,100,000	20,155,800,000	20,047,750,000	-54,853,000	-176,350,000	-108,050,000
Reserve Personnel, Army	2,261,200,000	2,243,300,000	2,265,700,000	2,225,164,000	-36,036,000	-18,136,000	-40,536,000
Reserve Personnel, Navy	1,621,400,000	1,588,600,000	1,591,800,000	1,575,170,000	-46,230,000	-13,430,000	-16,630,000
Reserve Personnel, Marine Corps	315,700,000	319,200,000	319,200,000	317,896,000	+2,196,000	-1,304,000	-1,304,000
Reserve Personnel, Air Force	657,964,000	668,900,000	674,400,000	672,129,000	+14,165,000	+3,229,000	-2,271,000
National Guard Personnel, Army	3,334,000,000	3,246,700,000	3,252,200,000	3,246,700,000	-87,300,000	---	-5,500,000
National Guard Personnel, Air Force	1,033,686,000	1,046,700,000	1,044,800,000	1,046,700,000	+13,014,000	---	+1,900,000
Total, title I, Military Personnel: New budget (obligational) authority	78,489,954,000	79,185,300,000	79,091,000,000	78,780,742,000	+290,788,000	-404,558,000	-310,258,000
TITLE II							
OPERATION AND MAINTENANCE 1/							
Operation and Maintenance, Army	22,083,496,000	23,708,600,000	23,603,843,000	22,856,662,000	+773,166,000	-851,938,000	-747,181,000
Operation and Maintenance, Navy	24,852,100,000	25,954,600,000	25,748,601,000	24,106,207,000	-745,893,000	-1,848,393,000	-1,642,394,000
Operation and Maintenance, Marine Corps	1,817,000,000	1,716,300,000	1,855,300,000	1,640,419,000	-176,581,000	-75,881,000	-214,881,000

Operation and Maintenance, Air Force	21,721,673,000	22,812,200,000	22,708,743,000	21,986,987,000	+265,314,000	-825,213,000	-721,756,000
Operation and Maintenance, Defense Agencies	7,549,651,000	8,021,600,000	7,829,137,000	7,879,444,000	+329,793,000	-142,156,000	+50,307,000
Office of Inspector General	86,322,000	95,800,000	---	95,800,000	+9,478,000	---	+95,800,000
Operation and Maintenance, Army Reserve	794,900,000	861,900,000	863,100,000	861,900,000	+67,000,000	---	-1,200,000
Operation and Maintenance, Navy Reserve	979,200,000	980,000,000	1,002,400,000	895,200,000	-84,000,000	-84,800,000	-107,200,000
Operation and Maintenance, Marine Corps Reserve	77,500,000	77,400,000	77,400,000	77,400,000	-100,000	---	---
Operation and Maintenance, Air Force Reserve	1,033,900,000	1,004,600,000	1,010,487,000	981,900,000	-52,000,000	-22,700,000	-28,587,000
Operation and Maintenance, Army National Guard	1,801,200,000	1,870,200,000	1,867,100,000	1,870,200,000	+69,000,000	---	+3,100,000
Operation and Maintenance, Air National Guard	1,971,000,000	2,041,200,000	2,054,093,000	1,988,400,000	+17,400,000	-52,800,000	-65,693,000
National Board for the Promotion of Rifle Practice, Army	4,300,000	4,700,000	4,700,000	4,700,000	+400,000	---	---
Court of Military Appeals, Defense	3,500,000	4,000,000	3,800,000	4,000,000	+500,000	---	+200,000
Environmental Restoration, Defense	500,000,000	517,800,000	900,800,000	517,800,000	+17,800,000	---	-383,000,000
Goodwill Games	5,000,000	14,600,000	14,600,000	14,600,000	+9,600,000	---	---
Base Closure Account	---	500,000,000	---	300,000,000	+300,000,000	-200,000,000	+300,000,000
Humanitarian Assistance	13,000,000	13,000,000	13,000,000	13,000,000	---	---	---
Total, title II, Operation and Maintenance: New budget (obligational) authority	85,293,742,000	90,198,500,000	89,557,104,000	86,094,619,000	+800,877,000	-4,103,881,000	-3,462,485,000

TITLE III

PROCUREMENT

Aircraft Procurement, Army	2,883,700,000	2,906,100,000	3,081,798,000	2,672,700,000	-211,000,000	-233,400,000	-409,098,000
Missile Procurement, Army	2,602,800,000	2,661,600,000	2,942,399,000	2,343,229,000	-259,571,000	-318,371,000	-599,170,000
Procurement of Weapons and Tracked Combat Vehicles, Army	2,830,921,000	2,724,000,000	2,692,438,000	2,607,994,000	-222,927,000	-116,006,000	-84,444,000
Procurement of Ammunition, Army	2,012,970,000	1,704,800,000	2,021,317,000	1,691,147,000	-321,823,000	-13,653,000	-330,170,000
Other Procurement, Army	4,568,011,000	4,037,100,000	3,896,365,000	3,382,986,000	-1,185,025,000	-654,114,000	-513,379,000
Aircraft Procurement, Navy	9,415,311,000	8,826,100,000	9,164,718,000	8,499,363,000	-915,948,000	-326,737,000	-665,355,000
Weapons Procurement, Navy	6,154,032,000	5,725,000,000	5,816,879,000	3,864,154,000	-2,289,878,000	-1,860,846,000	-1,952,725,000
Shipbuilding and Conversion, Navy	9,055,543,000	9,550,600,000	12,459,200,000	9,359,800,000	+304,257,000	-190,800,000	-3,099,400,000
(By transfer)	---	---	---	(100,000,000)	(+100,000,000)	(+100,000,000)	(+100,000,000)
Other Procurement, Navy	4,813,969,000	4,915,000,000	4,636,485,000	6,150,432,000	+1,336,463,000	+1,235,432,000	+1,513,947,000
Procurement, Marine Corps	1,297,265,000	1,196,800,000	1,246,800,000	1,175,885,000	-121,380,000	-20,915,000	-70,915,000
Aircraft Procurement, Air Force	15,922,499,000	16,787,200,000	14,531,196,000	15,815,530,000	-106,969,000	-971,670,000	+1,284,334,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1990—Continued

[Amounts in dollars]

Item (1)	1989 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recom-mendation (5)	Senate committee recommendation compared with (+ or −)		
					1989 appropriation (6)	Budget estimate (7)	House allowance (8)
Missile Procurement, Air Force	7,219,683,000	7,382,200,000	6,544,612,000	7,231,724,000	+12,041,000	-150,476,000	+687,112,000
Other Procurement, Air Force	8,188,638,000	8,561,800,000	8,087,219,000	8,273,799,000	+85,161,000	-288,001,000	+186,580,000
National Guard and Reserve Equipment	1,138,900,000	---	1,481,400,000	1,304,961,000	+166,061,000	+1,304,961,000	-176,439,000
Procurement, Defense Agencies	1,185,142,000	1,321,800,000	1,318,173,000	1,272,700,000	+87,558,000	-49,100,000	-45,473,000
Defense Production Act Purchases	33,500,000	10,500,000	50,000,000	10,500,000	-23,000,000	---	-39,500,000
Space and Related Activities Augmentation, Defense	---	---	555,000,000	---	---	---	-555,000,000
Total, title III, Procurement: New budget (obligational) authority	79,322,884,000	78,310,600,000	80,525,999,000	75,656,904,000	-3,665,980,000	-2,653,696,000	-4,869,095,000
TITLE IV							
RESEARCH, DEVELOPMENT, TEST, AND EVALUATION							
Research, Development, Test, and Evaluation, Army	5,130,166,000	5,693,500,000	5,568,700,000	5,382,737,000	+252,571,000	-310,763,000	-185,963,000
Research, Development, Test, and Evaluation, Navy	9,382,312,000	9,830,300,000	9,765,454,000	9,823,627,000	+441,315,000	-6,673,000	+58,173,000
Research, Development, Test, and Evaluation, Air Force	14,502,347,000	14,651,900,000	12,438,021,000	13,915,171,000	-587,176,000	-736,729,000	+1,477,150,000
Research, Development, Test, and Evaluation, Defense Agencies	8,427,908,000	8,965,800,000	7,530,872,000	8,201,833,000	-226,075,000	-763,967,000	+670,961,000
Developmental Test and Evaluation, Defense	149,900,000	309,300,000	224,505,000	222,311,000	+72,411,000	-86,989,000	-2,194,000
Operational Test and Evaluation, Defense	71,234,000	194,500,000	12,725,000	118,849,000	+47,615,000	-75,631,000	+106,124,000
Total, title IV, Research, Development, Test, and Evaluation: New budget (obligational) authority	37,663,867,000	39,645,300,000	35,540,277,000	37,664,528,000	+661,000	-1,980,772,000	+2,124,251,000

TITLE V							
REVOLVING AND MANAGEMENT FUNDS							
Army Stock Fund	291,900,000	107,600,000	134,600,000	---	-291,900,000	-107,600,000	-134,600,000
Navy Stock Fund	184,700,000	223,400,000	223,400,000	40,500,000	-144,200,000	-182,900,000	-182,900,000
Air Force Stock Fund	186,900,000	339,300,000	339,300,000	126,100,000	-60,800,000	-213,200,000	-213,200,000
Defense Stock Fund	25,000,000	104,100,000	104,100,000	78,100,000	+53,100,000	-26,000,000	-26,000,000
Total, title V, Revolving and Management Funds: New budget (obligational) authority	688,500,000	774,400,000	801,400,000	244,700,000	-443,800,000	-529,700,000	-556,700,000
TITLE VI							
CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE 2/							
Operation and maintenance	117,300,000	171,200,000	149,100,000	148,400,000	+31,100,000	-22,800,000	-700,000
Research, development, test, and evaluation	17,900,000	1,100,000	7,200,000	1,900,000	-16,000,000	+800,000	-5,300,000
Procurement	44,300,000	139,100,000	113,500,000	82,400,000	+38,100,000	-56,700,000	-31,100,000
Retrograde	---	---	---	26,655,000	+26,655,000	+26,655,000	+26,655,000
Total, title VI, Chemical Agents and Munitions Destruction, Defense: New budget (obligational) authority	179,500,000	311,400,000	269,800,000	259,355,000	+79,855,000	-52,045,000	-10,445,000
TITLE VII (Proposed for Deleation)							
Office of the Inspector General 3/							
Operation and maintenance	---	---	95,749,000	---	---	---	-95,749,000
Procurement	---	---	1,051,000	---	---	---	-1,051,000
Total, title VII, Office of the Inspector Genera New budget (obligational) authority	---	---	96,800,000	---	---	---	-96,800,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1990—Continued

[Amounts in dollars]

Item (1)	1989 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −)		
					1989 appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE VII							
DRUG INTERDICTION, DEFENSE							
Drug Interdiction Defense	---	132,000,000	---	575,000,000	+575,000,000	+443,000,000	+575,000,000
TITLE VIII							
RELATED AGENCIES							
Central Intelligence Agency Retirement and Disability System Fund	144,500,000	154,900,000	154,900,000	154,900,000	+10,400,000	---	---
Intelligence Community Staff	23,645,000	24,100,000	28,400,000	25,068,000	+1,423,000	+968,000	-3,332,000
Special Operations Enhancement	286,000,000	---	---	---	-286,000,000	---	---
Drug Interdiction Defense	210,000,000	---	450,000,000	---	-210,000,000	---	-450,000,000
(Transfer from other accounts)	(90,000,000)	---	---	---	(-90,000,000)	---	---
Mildred and Claude Pepper Foundation	---	---	10,000,000	10,000,000	+10,000,000	+10,000,000	---
Total, title VIII, Related Agencies:							
New budget (obligational) authority	664,145,000	179,000,000	643,300,000	189,968,000	-474,177,000	+10,968,000	-453,332,000
(Transfer from other accounts)	(90,000,000)	---	---	---	(-90,000,000)	---	---

TITLE IX

GENERAL PROVISIONS

(Additional transfer authority, sec. 9011)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	---	---	---
Shipbuilding	438,800,000	---	---	---	-438,800,000	---	---
(By transfer)	(1,310,100,000)	---	---	---	(-1,310,100,000)	---	---
Other procurement, Navy	(110,700,000)	---	---	---	(-110,700,000)	---	---
Contractor travel (Sec. 9085)	-30,000,000	---	---	-37,000,000	-7,000,000	-37,000,000	-37,000,000
Contra-aid amendment	---	---	---	---	---	---	---
Consultant Services (Sec. 9058)	-150,000,000	---	-150,000,000	-75,000,000	+75,000,000	-75,000,000	+75,000,000
Military Pay Raise Absorption	-150,000,000	---	---	---	+150,000,000	---	---
Civilian pay raise	---	---	---	275,600,000	+275,600,000	+275,600,000	+275,600,000
Total, title IX, General Provisions:							
New budget (obligational) authority	108,800,000	---	-150,000,000	163,600,000	+54,800,000	+163,600,000	+313,600,000
(By transfer)	(1,420,800,000)	---	---	---	(-1,420,800,000)	---	---

RECAPITULATION

Title I - Military Personnel	78,489,954,000	79,185,300,000	79,091,000,000	78,780,742,000	+290,788,000	-404,558,000	-310,258,000
Title II - Operation and Maintenance	85,293,742,000	90,198,500,000	89,557,104,000	86,094,619,000	+800,877,000	-4,103,881,000	-3,462,485,000
Title III - Procurement	79,322,884,000	78,310,600,000	80,525,999,000	75,656,904,000	-3,665,980,000	-2,653,696,000	-4,869,095,000
Title IV - Research, Development, Test, and Evaluation	37,663,867,000	39,645,300,000	35,540,277,000	37,664,528,000	+661,000	-1,980,772,000	+2,124,251,000
Title V - Revolving and management funds	688,500,000	774,400,000	801,400,000	244,700,000	-443,800,000	-529,700,000	-556,700,000
Title VI - Chemical Agents and Munitions Destruction, Defense	179,500,000	311,400,000	269,800,000	259,355,000	+79,855,000	-52,045,000	-10,445,000
Title VII - Office of the Inspector General (Proposed for deleation)	---	---	96,800,000	---	---	---	-96,800,000
Title VII Drug Inderdiction, Defense	---	132,000,000	---	575,000,000	+575,000,000	+443,000,000	+575,000,000
Title VIII - Related agencies	664,145,000	179,000,000	643,300,000	189,968,000	-474,177,000	+10,968,000	-453,332,000
(Transfer from other accounts)	(90,000,000)	---	---	---	(-90,000,000)	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1990—Continued

[Amounts in dollars]

Item (1)	1989 appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −)		
					1989 appropriation (6)	Budget estimate (7)	House allowance (8)
Title IX - General provisions	108,800,000	---	-150,000,000	163,600,000	+54,800,000	+163,600,000	+313,600,000
(Transfer from other accounts)	(1,420,800,000)	---	---	---	(-1,420,800,000)	---	---
(Additional transfer authority, sec. 9011)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	---	---	---
Total, Department of Defense	282,411,392,000	288,736,500,000	286,375,680,000	279,629,416,000	-2,781,976,000	-9,107,084,000	-6,746,264,000
(Transfer from other accounts)	(1,510,800,000)	---	---	---	(-1,510,800,000)	---	---
Total funding available	283,922,192,000	288,736,500,000	286,375,680,000	279,629,416,000	-4,292,776,000	-9,107,084,000	-6,746,264,000
(Transfer authority)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	---	---	---
Distribution by organizational component:							
Army	75,084,309,000	76,474,400,000	76,804,260,000	73,704,336,000	-1,379,973,000	-2,770,064,000	-3,099,924,000
Navy	94,644,688,000	96,046,800,000	99,084,737,000	92,617,069,000	-2,027,619,000	-3,429,731,000	-6,467,668,000
(Transfer from other accounts)	(110,700,000)	---	---	---	(-110,700,000)	---	---
Air Force	92,540,893,000	95,520,100,000	89,588,671,000	92,086,190,000	-454,703,000	-3,433,910,000	+2,497,519,000
Defense Agencies/OSD	17,963,835,000	19,477,000,000	18,653,512,000	18,333,137,000	+369,302,000	-1,143,863,000	-320,375,000
Reserve & National Guard (procurement)	1,138,900,000	---	1,481,400,000	1,304,961,000	+166,061,000	+1,304,961,000	-176,439,000
Chemical Agents and Munitions Destruction, Defense	179,500,000	311,400,000	269,800,000	259,355,000	+79,855,000	-52,045,000	-10,445,000
Related agencies	664,145,000	179,000,000	643,300,000	189,968,000	-474,177,000	+10,968,000	-453,332,000
Drug Interdiction, Defense	---	132,000,000	---	575,000,000	+575,000,000	+443,000,000	+575,000,000
General provisions	108,800,000	---	-150,000,000	163,600,000	+54,800,000	+163,600,000	+313,600,000
Military personnel	---	---	---	---	---	---	---
Total, Department of Defense (NOA)	282,325,070,000	288,140,700,000	286,375,680,000	279,233,616,000	-3,091,454,000	-8,907,084,000	-7,142,064,000

Total funding available	282,325,070,000	288,140,700,000	286,375,680,000	279,233,616,000	-3,091,454,000	-8,907,084,000	-7,142,064,000
(Transfer authority)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	---	---	---

1/ Budget request of $500,000,000 for DOD Base Closure Account transferred to Military Construction bill in House bill.

2/ Included in procurement title in budget.

3/ Included in operation and maintenance title in budget and in Senate bill.